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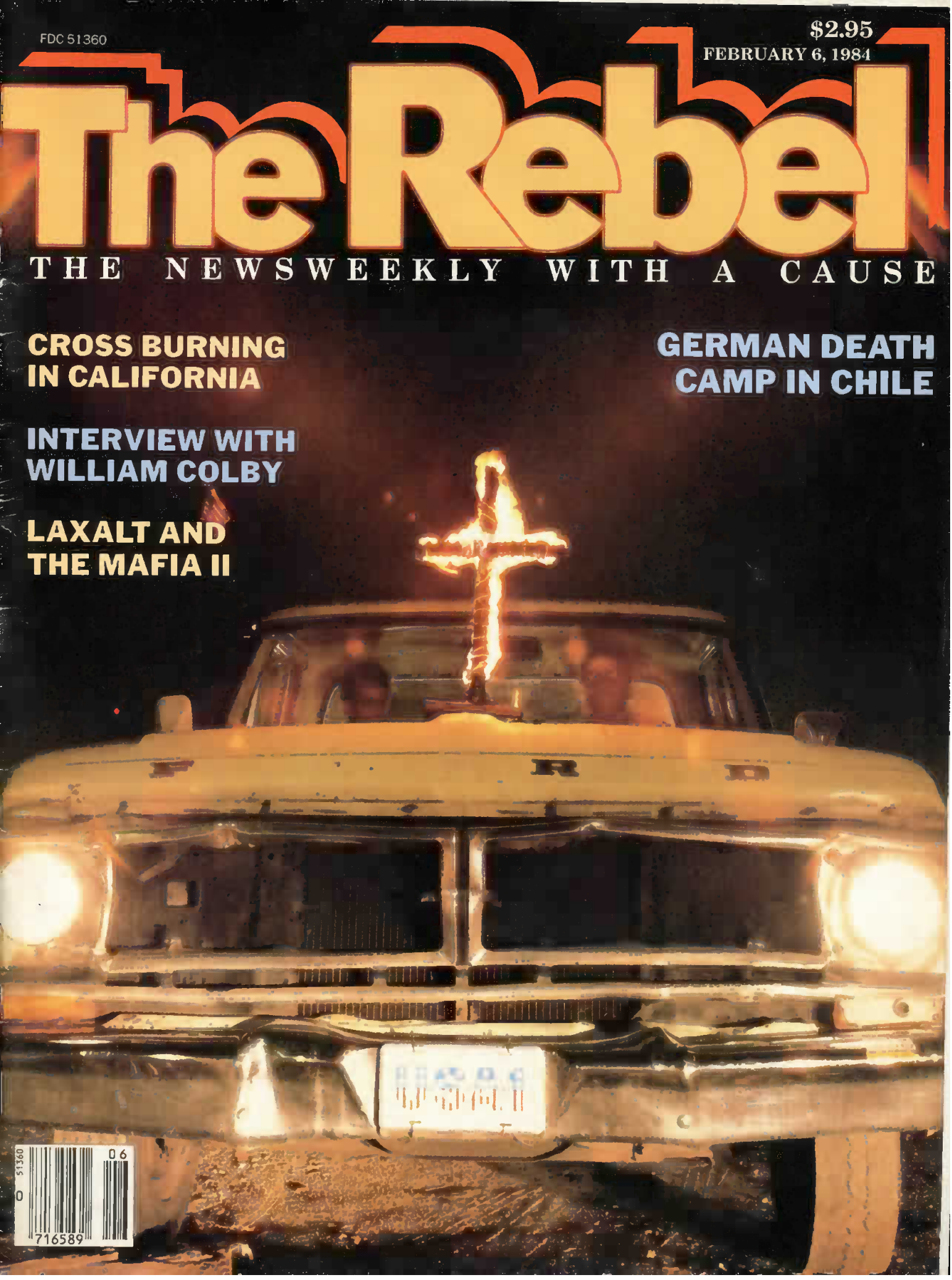

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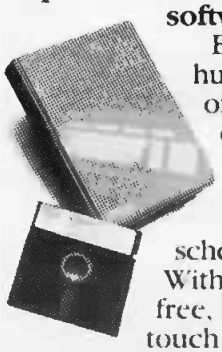

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Dec. 31, 1983

WHO WILL BE OUR NEXT PRESIDENT?

It is now obvious to the world that the nuclear-mad cowboy, Ronnie Reagan, and his entire cabinet must resign in disgrace. Reagangate, as I have penned it, is a scandal that could never have happened in the history of the world because never has this planet ever had such a dumb fascist bigoted mother-fucker as a world leader.

This neo-Nazi asshole has duped the whole world into believing that he was a sincere man who really wanted peace. Give us a break, Ronnie. If another country ever threatened to invade us, all you will do is circle the wagon train and fire off a nuclear salvo from the center of the camp.

I don't even want to hear anyone call him a senile second-rate actor. Ronald Reagan is a German Catholic Nazi fox personfied, and he deserves an Academy Award for his role, and Nancy deserves to be nominated at least for Best Actress along with Sandra Day O'Connor. But best supporting actress should go to Jeane Kirkpatrick for playing those phony tapes at the United Nations about the ill-fated flight of 007, shot down by our own government in an effort to involve us in World War III.

They will all be here soon, Ronnie and his gang, at the Springfield, Missouri Federal Prison Medical Center for a complete psychiatric evaluation. Maybe the prison shrink, Dr. Logan, will have some answers for the American people. God knows we need them.

I'm Larry Flynt, editor and publisher of *The Rebel*, the newsweekly with a cause. This was written from my cell in solitary confinement at the Federal Penitentiary in Springfield, Missouri.

P.S. I will give you three guesses who the next elected President of the United States will be. And the first two don't count.

P.P.S. Ronald Reagan might save himself a lot of problems and grief if he'd just make a phone call down here and tell the warden to let me out. Maybe I'd have a little mercy on him.

Larry Flynt

Editor and Publisher

The Rebel

Larry Flynt
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The Rebel

The newsweekly with a cause

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Gorky Park

Starring William Hurt and Lee Marvin
Directed by Michael Apted
Orion Pictures

Joanna Pacula and William Hurt in Gorky Park

The film version of Martin Cruz Smith's best-selling thriller attempts to tell a complex detective story in an exotic environment. It fails, in terms of both narrative and setting, and in the process manages to embarrass all concerned.

We are ostensibly in Moscow. Director Michael Apted has obviously gone to a great deal of trouble to replicate Moscow in Helsinki, where the film was actually shot. As in his *Coal Miner's Daughter*, he wants his audience to not only know what happened, but where as well. But the difference between making an authentic movie about Kentucky *in* Kentucky, and making a movie about Moscow in Helsinki, seems to have eluded him. All the locations and sets *seem* on the surface to be accurate, and there's certainly enough snow to go around, but the characters all seem oddly out of place and uncomfortable in their Finnish settings.

As the film opens, Arkady Renko (William Hurt), chief investigator of the militia, is, to his surprise, assigned to investigate how and why three frozen corpses ended up in Gorky Park in the middle of the city. The gruesomeness of the killings is what leads first to his trepidation—fingerprints and faces have been removed with a furrier's knife; and the conspicuous location of the deaths makes him think that this is a case more appropriate for the secret police, the KGB.

The film's major problems concern Renko's relationship with his KGB counterparts, with whom he has had prior serious professional disagreements. The enmity between the two is exaggerated for the pleasure of western audiences, suggesting a comforting dissension within the ranks of the Soviet system. Well, perhaps, but the childish name-calling between the policemen undercuts the film's highly lauded verisimilitude from its opening moments.

Renko shortly thereafter meets up with one of the more hackneyed cinematic stereotypes, the tough New York cop William Kirwill (Brian Dennehy). Kirwill has seemingly participated in those Russian psychic-research projects we read of in the *National Enquirer*, since through a totally unexplained prescience he knows that his born-again Christian son is one of the three murder victims. The film abounds with many other moments of equally privileged knowledge.

The American underbelly is represented in the film by Jack Osborne (played with evil aplomb by Lee Marvin), a sable importer who has had the three killed in the process of smuggling a few of the animals out of the country in order to break the Soviet monopoly on that part of the fur trade. It's comforting to hear the two American voices among the dozens of various British accents that abound, since the latter affectation is used to signify Russian. It's easy to get distracted wondering how, for example, Kirwill speaks fluent Russian (it turns out that he lived there for several years as a child), but we never learn exactly what language Osborne communicates in (Russian again, we assume), while Renko *writes* in Russian. Nagging details.

During his investigation, Renko hooks up with a beautiful dissident, Irina (Joanna Pacula), who was a friend of the deceased. She is convinced that they have all escaped from Russia as part of their deal to assist Osborne, and she intends to do the same. Their meeting isn't cute; Renko has to convince her that her friends have been murdered, which is easy once he reconstructs the head of one of her friends through a complicated taxidermic project detailed onscreen.

Hurt's Renko is the sort of policeman who deadpans frequently about his plodding method of investigating a crime. Yet the dry tone with which nearly every Russian speaks in this film (mimicking our national perception of the Soviet personality) lends an unintentionally ironic twist to his leaden remarks. And Pacula has an accent that clashes with every other one in the film. Together, they comprise one of the unlikelier twosomes you'll see this year.

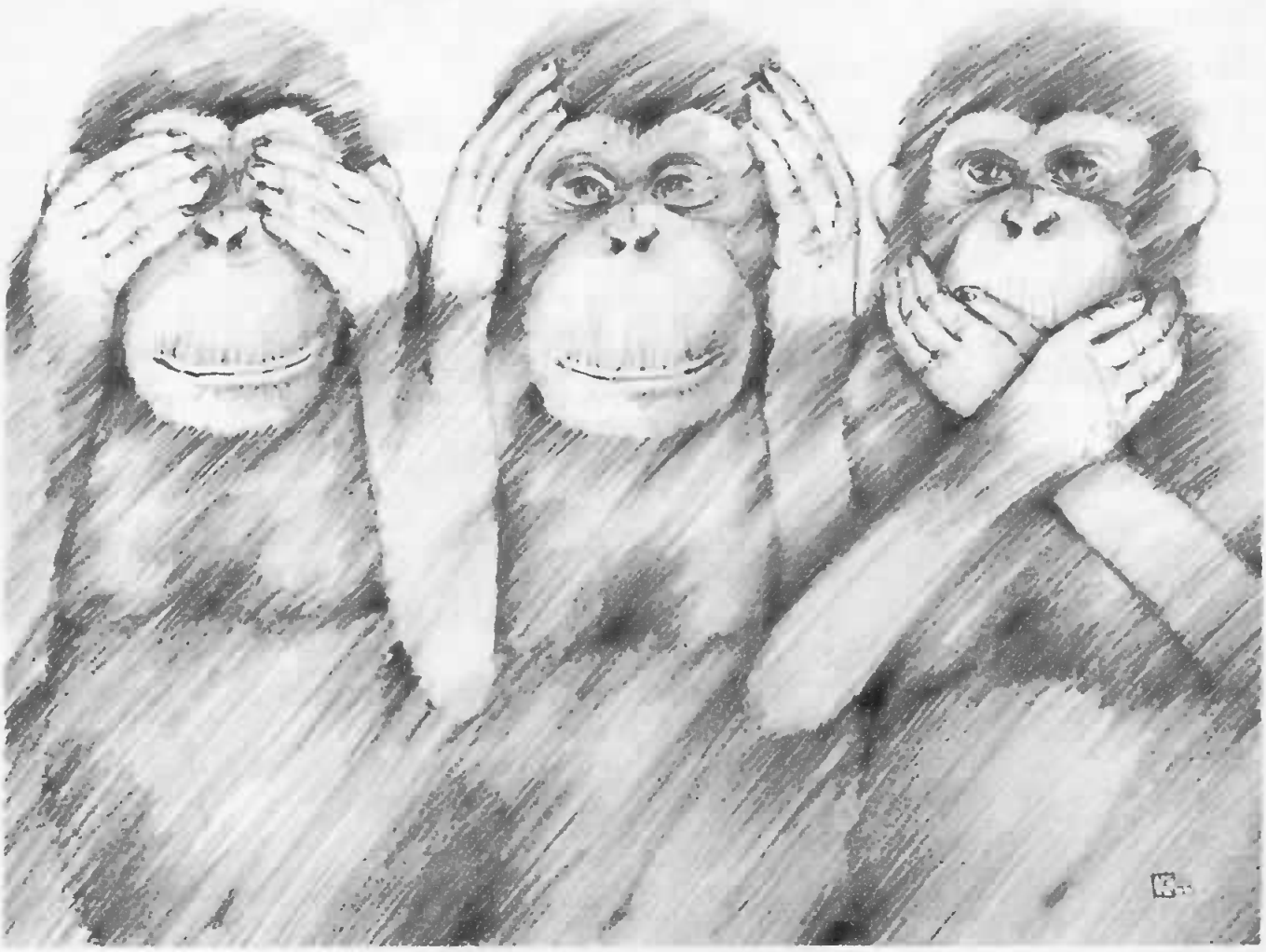
Renko's motivation stems mainly from the fact that, outside of his love for Irina and her seduction by Osborne, there's a murderer who must be brought to justice. Renko plods from suspect to suspect, stating his intentions and receiving indulgent smiles. The most interesting person he meets along the way is a black-marketeer informant named Golodkin, who is played by the eccentric British comedian Alexei Sayle; but don't get used to him—it's a short role.

Osborne, it happens, is himself sexually obsessed with Irina, and suddenly disappears with her and some sables to Sweden. Arriving there, she goes to the Soviet Embassy in order to trade Osborne and the sables for Renko. Osborne himself makes a deal (although things are getting mighty murky by this time), and will return the sables if he can kill Renko and Irina. You don't need to be Ellery Queen to figure out who's left alive in the end, in spite of the fact that many of the intricacies of Smith's plot are dropped during the final third of the film, including a lengthy detour to New York.

Another aspect of Smith's book that led to its popularity was the accretion of everyday details about life in Russia. A two-hour murder mystery, however, can hardly duplicate the quotidian activities encompassed by a 430-page novel. It's disheartening to realize once again that this is the kind of painstaking research that must be immediately jettisoned in adapting any such book to film, and which doomed *Gorky Park*'s adaptation from the beginning. So why bother?

—Richard Gehr

TIME Newsweek U.S.News



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Larry Flynt

Editor and Publisher

(Subscription coupon on page 80)

When the Mountains Tremble

Documentary
Directed by Pamela Yates and Thomas Sigel

Nicaragua: Report from the Front

Documentary short
Directed by Deborah Shaffer and Thomas Sigel

The bananas of Guatemala belong to the United Fruit Company, which owns much of the land and which, through its subsidiaries, once owned all the nation's rail and port facilities. While United Fruit stockholders were receiving a 17 percent annual return, the *campesinos* who worked the banana land were receiving five to 20 cents a day. In 1951, President Jacobo Arbenz embarked on a program to make Guatemala less dependent, to transform it "from a backward nation to a modern capitalist country." Though his democratic policies originated in the urban middle class, Arbenz also promised workers and *campesinos* a better standard of living. To that end, he confiscated some 400,000 acres of uncultivated land from United Fruit for redistribution to small farmers.

At the behest of United Fruit, Arbenz was overthrown in 1954 by Col. Castillo Armas, in a coup planned by the CIA and financed by the U.S. government. United Fruit got its land back; and thus ended what one Central American intellectual called "10 years of springtime in the land of eternal dictatorship." A succession of military strongmen has ruled ever since. From the 1954 coup to the present, over 90,000 Guatemalans have been murdered, and thousands more have "disappeared." Needless to say, the unending dictatorship has met with considerable resistance.

It is a story of this resistance that *When the Mountains Tremble* seeks to tell. It's a feature-length documentary, a year-and-a-half in the making. Directors Pamela Yates and Thomas Sigel—who with producer Peter Kinoy had previously collaborated on *Resurgence*, a powerful documentary on the renaissance of the Klan—are the first to capture the Guatemalan resistance on celluloid. At considerable risk to their personal safety, they've retrieved for us strong and haunting images of a people in rebellion. An oddly formalized receiving line reaches out to a departing band of guerrillas with shy, poignant slaps of farewell. An orator at the grave of a slain rebel says, "Your struggle has not been in vain," and the clichéd rhetoric somehow makes the wish more sincere, more convincing. *Mountains'* tightly-composed frames, full of offbeat facial expressions, unfamiliar gestural activity, make even the most stilted jargon ring true, because as we watch, we are confronted again and again with people who have nothing to lose, and a world to win.

Many of the film's contrasts are quite crude. We see the warmly received guerrillas-in-the-hills, and the fat-brutal-soldiers-in-jeeps, so out of touch that they stop at a gas station for directions. There's Miss Guatemala in designer jeans, and a rebel woman with picturesque eyes, perfect crooked teeth. An outsized billboard proclaiming, in English: "Wrangler—American Way of Jeans"; and the rebel organization UNRG interrupting a regularly scheduled TV broadcast with impromptu propaganda.

But *Mountains* manages to convince us that these loaded comparisons are merely appropriate.

Nicaraguan soldiers patrol the border

As a framing device, *Mountains* is narrated by Rigoberta Menchu, born into a family of highland peasants. One of her brothers died of starvation, another of crop-dusting poisoning; another—the secretary of a small agricultural co-op—was kidnapped, tortured, and finally burned alive in front of Rigoberta. Her father and 37 of his companions were killed by police following the peaceful occupation of the Spanish Embassy, staged to draw attention to the predicament of Guatemala's Indian population.

Her tale is gripping. But the way she's photographed, and the way her sequences are edited into the documentary footage, is bothersome. It's as if the filmmakers were trying to perk up dry facts with a "human-interest" story. They don't need to. The images, the facts, the stories speak for themselves.

Most documentaries made by first-world filmmakers about third-world struggles carry with them a large freight of unspoken condescension. The spectacle of a simple, heroic people is served up for a sophisticated audience, whose addiction to this particular brand of sentimentality is never brought into question. It's a problem to which documentarians like Chris Marker and Jean-Luc Godard have devoted increasing attention.

Yates/Sigel/Kinoy transcend these considerations. They're so convinced of the urgency of what they have to tell that they convince us, too. We're not being spoken down to; even more significantly, neither are the Guatemalan rebels. *Mountains'* images of struggle aren't stolen: they've been borrowed, put to good use. And soon, if we're lucky, returned.

The music in *Mountains* is by salsa superstar Ruben Blades in a subtle, uncharacteristically self-effacing mode. It's terrific.

* * *

Paired with *Mountains* is a half-hour short entitled *Nicaragua: Report from the Front*, directed by Deborah Shaffer and Sigel, produced by Shaffer and Yates. It is punchy narrative footage of two trips the filmmakers made in the borderland between Nicaragua and Honduras—first with the U.S.-backed *contras*, based in Honduras, who are attempting to overthrow Nicaragua's Sandinista government; then with the Sandinista troops themselves.

It's a revelation. The well-armed *contras* are composed largely of remnants of late Nicaraguan dictator Somoza's dreaded national guard. They're long on bombast, short on popular support. The Nicaraguan army—farmers and soldiers determined to defend the revolution and their new-found freedoms—clearly have the run of the place, and the appreciation of the populace. And the Nicaraguans interviewed are articulate, armed, resolute. The footage is rounded out with interviews with and statements from President Reagan, UN Ambassador Jeane Kirkpatrick, and Nicaraguan Foreign Minister D'Escoto.

Report is simple, partisan, and couldn't be more timely. One can only hope it achieves a wide audience, particularly among those who make U.S. policy, whose yearning to destabilize/invade Nicaragua should trouble us all.

—Howard A. Rodman

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Books

Fatal Vision

by Joe McGinniss
Published by G.P. Putnam's Sons/New York
$17.95

"He's full of fun, plus noise and vim. There's really no one quite like him." That was Jeffrey Robert MacDonald's high school yearbook inscription. Perhaps one of the more prophetic inscriptions ever written. *Fatal Vision* is an absorbing and frightening account that takes us deeper and deeper into the life of Jeffrey MacDonald, which to all appearances is the exemplary American success story. After being voted most popular and most likely to succeed in high school, he blazed through Princeton and medical school, earned his wings as a Green Beret and finally, in 1970, was well ensconced in military life at Fort Bragg, North Carolina. Through it all, he had managed to support his wife and two young daughters, and a son was on the way.

Then, on the night of Feb. 17, 1970 MacDonald's wife Colette and his two daughters, Kristen and Kimberly, just two and five years old, were brutally bludgeoned, stabbed and ice-picked to death. MacDonald himself sustained only minor bruises and a partially collapsed lung. When the military police arrived at the MacDonald home, they found him lying beside the bloodied body of his wife. Hysterical, he told the police that four drug-crazed hippies had entered his house and slaughtered his family. He said he had been stabbed and injured in a struggle with the assailants. The police found the word "pig" written in blood on the headboard of MacDonald's bed. MacDonald told them one of the assailants, a woman with long blonde hair wearing a floppy hat and high boots, kept saying "Acid is groovy, kill the pigs." This was the story Jeffrey MacDonald was to tell over and over again to Army investigators, to his lawyer, to a *Newsday* reporter who wrote the first detailed public account of the murders, to millions of television viewers of the Dick Cavett show just nine months after the killings, and finally to the jury at his trial in 1979, nine years later, for the murder of his wife and children. It is a story that Joe McGinniss embellishes upon repeatedly, in bloody detail, to remind us that what is at stake here is human life and not just the guilt or innocence of one man.

Six weeks after the murders, MacDonald was named the chief suspect in the Army investigation. A court-martial hearing found him not guilty on grounds of lack of evidence and lack of motive. No one would believe MacDonald was capable of the act of a crazed psychopath. But nine years later, in 1979, a North Carolina jury convicted him for three counts of murder. It was determined, after careful and painstaking examination, that Jeffrey MacDonald's story of what happened that night could not possibly be true. As a doctor, he could easily inflict himself with a collapsed lung; there was no evidence of intruders or a struggle with them in the house; and most incriminating, holes in MacDonald's pajama top matched perfectly with ice pick wounds in his wife's body, holes that MacDonald insisted were made in his skirmish with the assailants.

Fatal Vision is a tremendously well-crafted, well-written book. It's the kind of story that doesn't leave you when you go to sleep at night. McGinniss places you in the position of a juror, revealing information bit by bit, letting you judge for yourself the man versus the evidence. It is told in the manner of a superb murder mystery, but it is true, and that is even more terrifying. McGinniss delves deeply into MacDonald's psyche, finally theorizing that the man suffers from "pathological narcissism," a disease that causes a person to crave fame or notoriety, to show superiority to those around him, to be unable to relate to others in intimate relationships. Psychologists who examined MacDonald unanimously agreed that MacDonald's Achilles heel was feelings of inadequacy about his masculinity, for which he compensated with an extreme macho posture. In addition, McGinniss' research led him to conclude that MacDonald was taking Eskatrol, an amphetamine that in sufficient doses can cause psychotic lapses.

Fatal Vision is valuable in its detailing of two other intriguing and telling facets of the MacDonald case. First, the pursuit of justice and the American legal system remain astounding in their susceptibility to manipulation and arbitrary human judgment. The case would never have come to trial, if Colette MacDonald's parents, Alfred and Mildred Kassab, had not obsessively pursued the case until they saw MacDonald put in prison. Army and government bureaucracies would have dropped the case long before.

Almost as frightening as the murder itself was MacDonald's ability to exploit the media in his favor. He recognized commercial possibilities in his story and pursued them actively. *Newsday*, Cavett, and the CBS Evening News turned a sympathetic ear to this young doctor, the prototype all-American, whose family had become victims of drug-crazed hippies. This just six months after the Sharon Tate murders, and it was clear that his story would sell big. McGinniss himself took the project on at MacDonald's request. *Esquire*, *Time*, and *Look* had declined. So had Joseph Wambaugh, author of *The Onion Field*, fearing that he might not come to the conclusion of innocence that MacDonald wanted. McGinniss started the book on the presumption of that innocence. But as he informs us towards the end, he arrived finally at the same terrible conclusion as Colette's parents, the Army and the government had before him: MacDonald was guilty.

Fatal Vision leaves one question at the end: What makes this any more than a bizarre case history? Why have we been taken through this painful and obsessive journey—only to be left with an intimate knowledge of yet another psychotic killer, feeling more helpless and victimized by the "evil" that lurks beneath the surface? McGinniss is cautious not to generalize from MacDonald's case, and he draws no conclusions. But it's not hard to see how an image of masculinity, intimately tied to success and family, could cause tremendous conflict and feelings of inadequacy in a person, and when pushed to the brink—perhaps because of drugs, perhaps because of family background—comes undone in an act of terrible brutality. It is left to the reader to draw any lessons. McGinniss doesn't go far enough in linking MacDonald's case to the kind of society we live in, a society that puts incredible demands on fulfilling male and female role models. McGinniss does draw an incredibly precise portrait, rich in detail, but it remains hanging in a museum of pathological eccentricities.

—***Monona Wali***

Trivializing America

By Norman Corwin
Lyle Stuart, $14.95

Quickly now—what do "adult" movies, the rock group Vicious Fish, and the American Presidency have in common?

If you accept Norman Corwin's thesis in his latest book, *Trivializing America*, all of the above are examples of "a chronic, low-grade disease" that is drawing America toward a "moral nadir."

That disease, Corwin contends, is "trivialization," and he defines it as the reduction of the significant and important to smallness and unimportance and, frequently, the exaltation of the small and unimportant to the level of significance.

"The spirit of trivia is abroad everywhere," Corwin says, "in education, journalism, the arts, entertainment, commerce, advertising, film, television, religion, law, research, philosophy, scholarship, criticism, politics, government, ethics, sex, and death." He devotes the various chapters of the book to a detailed

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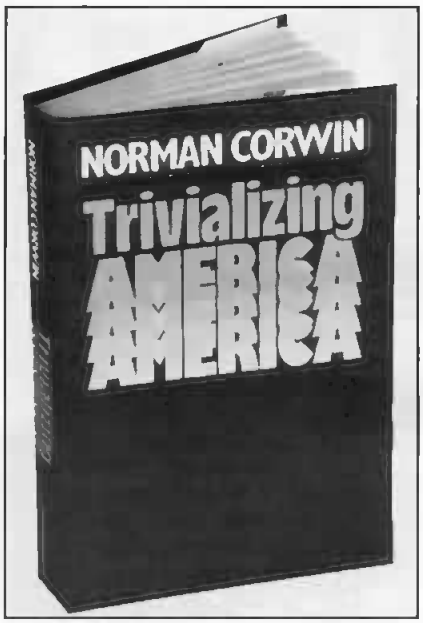
examination of what is happening and how.

Addressing the broad category of "entertainment," Corwin says we are being trivialized by surfeit. We have become so waterlogged with amusement and diversion, he believes, that only cheap sensation impresses us. He cites as examples the daredevil antics of an Evel Knievel, the destructive performances of punk rock groups, and the work of artists like Arman, who smashes pianos and burns violins.

Turning his attention to television news, Corwin echoes the complaints we have heard *ad nauseam*: the way the looks and wardrobe of newscasters are given more importance than the news itself; the emphasis on novelty; the oversimplification inherent in compressing the day's events into segments between commercials.

Televised sports, game shows, and



Trivialization is "a chronic disease" that is drawing America toward a "moral nadir"

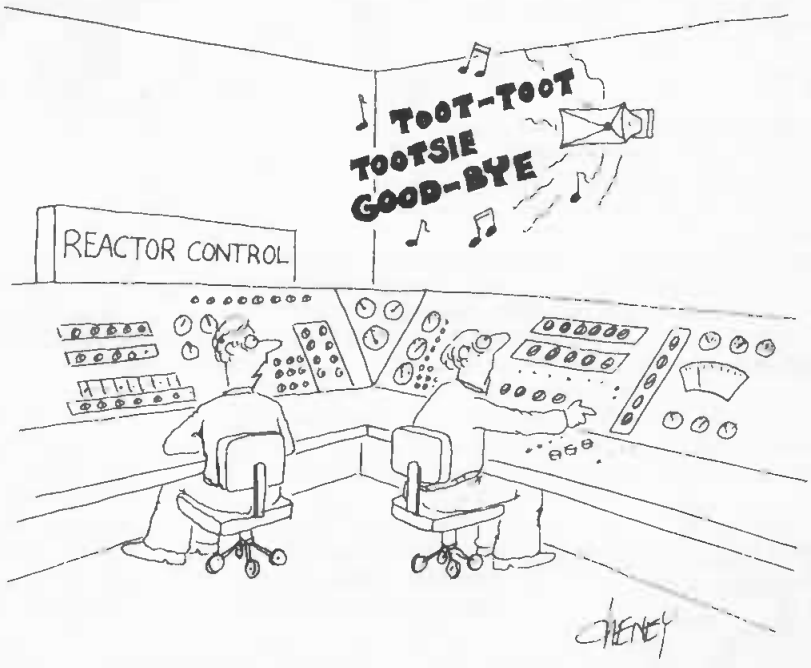
melodramas also become fair game for Corwin's barbs. Sports is trivialized by saturation. Game shows, he writes, are "like sweet-flavored gelatinous cultures on which greed and hysteria colonize like bacteria," producing "paroxysms of delight at winning, childlike dismay at guessing wrong answers, tears, shrieks, kisses, ringing bells, rasping buzzers, hours of production and transmission, all coming together to fill the public's time with pablum." TV melodramas are trivial because they resort to repetition of cliché formulas and have no "useful significance or relation to our lives."

What then of the rising tide of mediocrity Corwin sees as enveloping America? Expecting and settling for the half-baked effort, Corwin believes, makes small demands on perception and none on creativity. "Only a mediocre culture could have tolerated for so long, and with more approval than disapproval, the degradation of its liberties by Senator Joseph McCarthy. . . . only political parties numbed by hype, and too passive to demand reforms in our primary, nominating, and appointive systems, could have picked super-mediocrities like Ford Carter, and Reagan to begin with," he says.

If Corwin fires salvos at trivialization in entertainment, academia, and the arts, he saves his heavy artillery for the Presidency of Ronald Reagan: "Any people who could remain passive while Reagan mused aloud about taxing unemployment benefits while cutting corporate taxes, hounding the disabled for 'overpayment' while engaging a $50,000-a-year government communications officer to cut wood and clear brush on his (Reagan's) Santa Barbara ranch; crippling child and maternal health programs, while Nancy Reagan renovated the White House beauty salon with thousands of dollars' worth of furnishings, fabrics and cosmetics donated by America's beauty industry; taxing health insurance premiums while adding billions to an already monstrously inflated military budget; hacking away at Federal food programs; relaxing prosecution of Food and Drug Act violators; easing up on antitrust enforcement; downgrading human rights in foreign policy . . . and so on and on. Any people who could read about all this in newspapers and hear it reported on the air, without clamoring for repudiation, had to be in a kind of trance, in a daze of moral apathy."

Corwin devotes four-fifths of *Trivializing America* to a detailed, incisive statement of the problem. But little is offered in the way of a remedy for the morally apathetic, trivialized American. We must overcome what Corwin calls three "Bugbears." They are: 1. The belief that social programs and public welfare are a racket. 2. That anything, including security and well-being, can be bought with enough money. 3. That "anything left of center is antagonistic to God, country, and our most cherished values." Corwin proceeds to outline how these notions feed many of our ills but provides no concrete program for revamping the national psyche.

The value of *Trivializing America* lies in Corwin's skill in ferreting out and defining the conditions and situations that give many Americans the uneasy feeling that "things aren't right." He shows how these disparate elements are indeed part of a low-grade social infection that diminishes us as a people and as a nation. If at times he sounds like an aging pundit railing against change, it is because the aspects of change he addresses are truly degenerative. If his criticism of Reagan at times sounds like diatribe, it is because he is truly outraged at the excesses of an outrageous President. —***Victor Cook***



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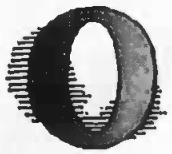

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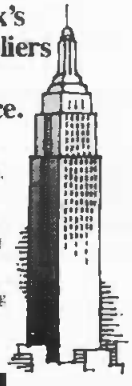

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Television

A Matter of Sex

Starring Jean Stapleton and Dinah Manoff
Directed by Lee Grant
NBC
Jan. 16, 9 p.m.

We are all familiar with situations in which an eminently reasonable request encounters unreasonably fierce resistance. Clearly a sensitive nerve has been touched. Powerful interests or traditions are threatened. Thus in Ibsen's play *An Enemy of the People*, Dr. Stockmann's commonsense suggestion that the polluted municipal baths be shut down for repairs incurs the wrath of the community. Or in a wonderful tale by Sholom Aleichem set in anti-Semitic, pre-World War II Poland, the simple desire of a Jewish youth for a high school education produces dire consequences.

A Matter of Sex, a new TV docudrama, is about a group of female bank employees in a small Minnesota town who want pay and promotion opportunities equal with those of their male co-workers. The women believe at first that if they just confront the bank president firmly with their obviously fair demands, all will go well. They can overcome his sexism with their persuasive arguments. But they soon discover that it's like trying to pull up a dandelion. It looks easy at first, but the damn thing has incredibly deep roots.

The film—competently directed by Lee Grant, who also directed a documentary on the case a few years ago—is based on a real-life story. In late 1976, Glennis Rasmussen (Dinah Manoff) begins work as a teller at a small Willmar, Minnesota bank for $400 a month. Head teller Irene Wallin (Jean Stapleton), who after eight years with the bank earns $565 monthly, makes a discovery that angers and humiliates her: A barely competent young man whom she trained has been promoted over her to a loan officer's position. Even worse, she learns that the entry-level salary for males at the bank is $700 a month.

When the complaints of Wallin, Rasmussen, and six other women are brushed aside by the bank president, they file a sex discrimination grievance with the Equal Employment Opportunity Commission. Bureaucracy moves at a petty pace and, in desperation, they finally form a union and on Dec. 16, 1977 take "the biggest step" of their lives. In the dead of a below-zero northern winter in a largely hostile town, they stage the first bank strike in Minnesota history.

Lee Grant and Jean Stapleton

Their two-year struggle attracts nationwide sympathy and support. But conservative Willmar in heartland America treats them as pariahs. With a new awareness, the women come to see how pervasive is the sexism they are fighting. It extends far beyond the town's business community that profits from their cheap labor. The forces arrayed against them include not only their bosses but also some of their female co-workers and neighbors, their church and their families.

Some viewers may find the film's depiction of the bank president heavyhanded. In his pre-employment interview with Glennis, for example, he asks when she plans to have a baby; notes that women workers don't need much money since husbands "bring home the bacon" anyway; and suggests that she wear a skirt rather than slacks to work. Hardly a cliché omitted. But this fictional character is squarely based on the actual bank president. That individual, when asked about the unequal pay complaints of the Willmar 8, stated:

"This isn't a fight over unions; these girls are being exploited by the National Organization for Women . . . Why do you think people are having trouble with the Equal Rights Amendment? The majority of people aren't for it. They're not militant. My wife's a lady. She wants the door held for her. She's no women's libber."

In the film, Glennis has recently been married to Tobe Rasmussen, a dairy farmer like his dad. Tobe, a wimp with an endearing grin, comes from a strictly traditional household. He expects Glennis to pick up where his all-sacrificing mother left off. The strike interferes with his expectations and Tobe frets. "Are you married to the bank or to me?" he asks petulantly. When his anger finally breaks into the open, the issue is not politics or ideology but his complaints over too many tuna-fish sandwiches and an untidy house.

In one telling scene, the Rasmussen clan is having Sunday dinner together. Or, more accurately, the three Rasmussen men are sitting down to dinner while the three women serve. It is clear that not one of the six people present is conscious of the injustice in that kitchen. Even Glennis, who is explaining the strikers' demands to her disapproving father-in-law as she dishes out the pickles, is unaware of the connection between the role of women in the traditional family and sexism in the workplace. Does she realize it when Tobe later yells at her: "Keep your mouth shut in my father's house!"? Or perhaps the light dawns when the minister telephones her, evidently at the prompting of Rasmussen père. "Quit your job," he advises; "listen to your elders" and "be a good girl."

The hostility of the townspeople ultimately was harder to bear than the Minnesota winter. When a striker put her house up for sale, local banks advised prospective buyers not to buy. When the women tried to relieve the tedium of picketing by building "snowpersons" to display their signs, the police knocked the figures down. One of the women's sons was ejected from his Boy Scout troop. Teenage boys pelted the strikers with snowballs and taunted them with cries of "Lesbian." When they gave a parade, nobody came. It seemed it would be necessary for them to leave town to get jobs, if the strike should fail.

How did the women endure such a long and often ugly fight? A Willmar striker in the film protests modestly: "It's not courage. We're just ticked." She was wrong of course. But beyond courage and anger, the Willmar struggle did not occur in a vacuum. While the eight walked their picket line, sex discrimination suits against banking giants were in the courts in New York (against Chase Manhattan) and Texas (Republic National Bank). Several years earlier, the Bank of America had been forced by female employees to agree to improve opportunities for women.

The message of the Willmar story, and of all other anti-discrimination suits, is that laws have meaning only if people are willing to take risks themselves in order to implement them. Within the town of Willmar, one direct result of the bank strike was the banding together of female beauticians to protest work conditions and form a union. More recently, employees of another Willmar bank have unionized.

A Matter of Sex joins two other films based on actual events, *Norma Rae* and *Silkwood*, in which female union activists emerge as heroines. At the same time, unions themselves are declining, losing membership and clout, and women are the most under-represented group among organized workers.

Is this cinematic romance with unionism a Last Hurrah for a dying movement? Or are we witnessing the resurrection by a feisty younger generation of the fighting spirit and idealism that once made labor strong?

— ***Walter and Miriam Schneir***

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An open letter from CREAM

"Educate the masses and tyranny will vanish."–Thomas Jefferson

We believe, like many of our fellow citizens, that 1984 has an ominous feel about it.

We also believe that the situations we face in this country and the world are serious–but not hopeless.

We are the Committee for the Right to Equal Access to the Media. The issue of equal access is one of the most important in our society, an issue that touches all of us every day. What people don't know *can* and *does* hurt them. The battle for control of information has been going on for hundreds of years, and some members of the print and broadcast media are not presenting the full range of thought and information. An increasing amount of the news and opinion they purvey is inaccurate. It is to *them* that we at the Committee address our efforts in 1984. The Committee was formed in late 1983 to accomplish one goal: aid legitimate groups and individuals that are having a problem in acquiring access to the media, whether it is paid advertising, public service or issues covered by the Fairness Doctrine.

In our very short history we have already identified over 100 groups that may have legally supportable cases of unjust access denial. In one case, as a result of direct action by the Committee, the *Washington Post* changed its position and printed an ad it had previously refused.

Direct action is the second punch in our strategy: Pickets, boycotts and court action will continue to be a powerful and visible expression of our presence in the system. Perhaps the most significant of our efforts in 1984 will be in the area of educating the public about censorship in the electronic and print media.

We feel the American people must recognize the importance of a free, accurate and accessible media to the preservation of democratic principles. We feel that a massive education campaign about the full implications and guarantees of the First Amendment must begin immediately. We must all be aware of what our rights are in order to protect them from the silent erosion we see taking place in our society today. We invite you to join us in our efforts to make 1984 a victorious year for First Amendment rights.

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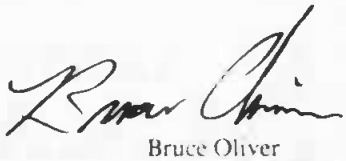
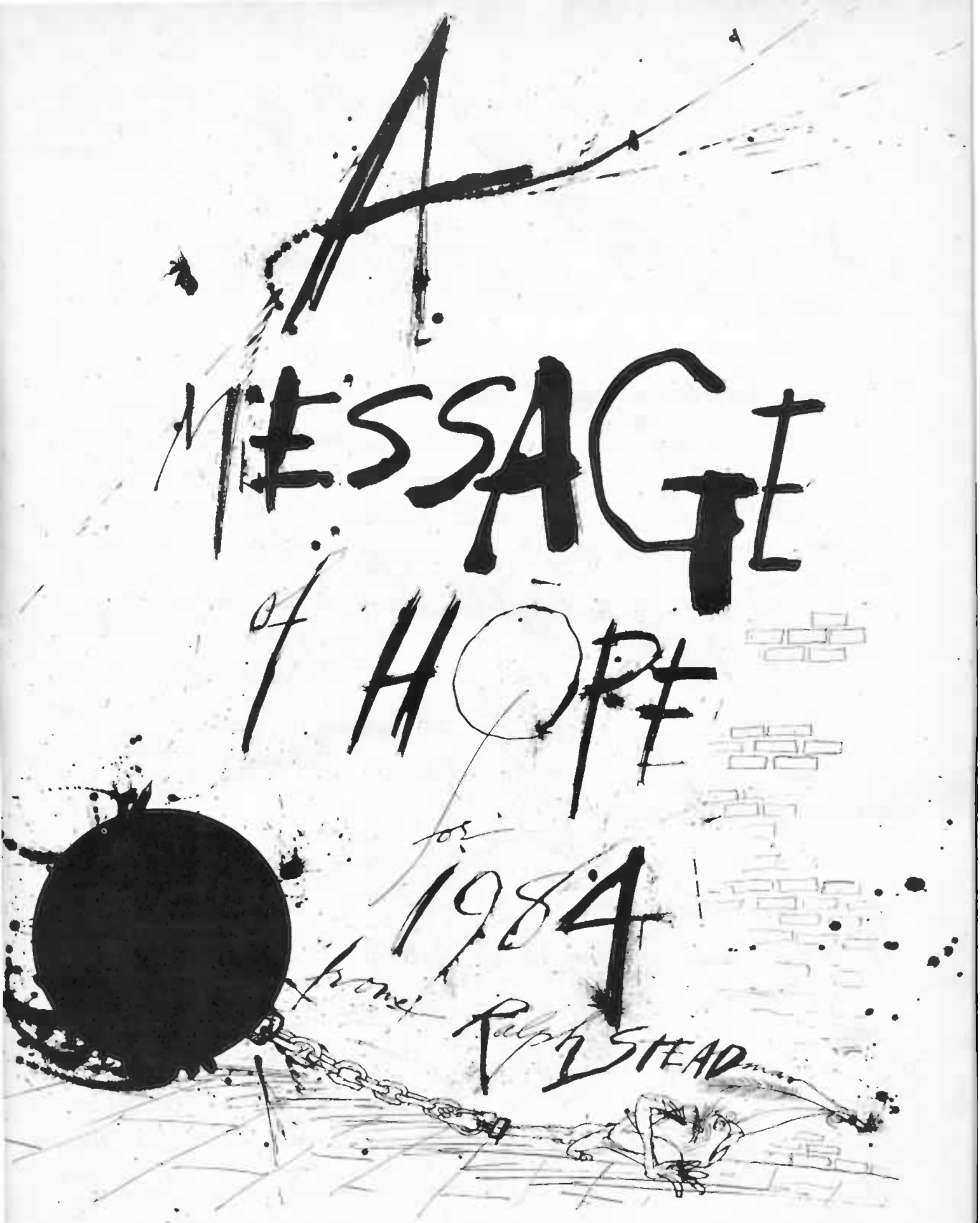


Bruce Oliver
Executive Director

Committee for the Right to Equal Access to the Media


A
MESSAGE
of HOPE
for
1984
from
Ralph Stead

Dateline: I am January 1st 1984
(A TOME of HOPE)

Eagles Nest
BEVERLY HILLS
CALIFORNIA.
(on Berechem Green
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In the cold light of a curdled dawn.....

I laughed.

The craven blasphemy could not sustain another day. The year ~~is~~ upon us and it ~~will~~ be magnificent. Believe it. I'm sick of whiners. Crave for hell, you panic mentors. I've ~~not~~ listened to the disbelievers too long — the thought hoarders who cripple hope for this cursed year. Perish the Orwellian nightmare mongers and banish the brain grinders. Leave them to their sleazy half world — or let them join us.

Scrape off the turgid barnacles of dismal failure and enter New Year as a liberator. The passage of time is not there for you to reason why — but to use. It enjoys perfect rhythm and so should you. A cripple will learn to walk on his hands and he who stands and watches others struggle is doomed to crawl in ~~the~~ his own tarnished parade. What?

Allow me to continue.....

Gather up your coins and crush the barriers that freedom uses to punish its young. Increase in yourselves the belief that there is no 3rd world. We are all part of a greater community. The grime-wizened old stoop with the empty begging bowl is your grandmother. There are no rats. No sleek persuaders who wait to eat your brain. Be wise. A timely warning is all that I need offer. I am the

red light who stops you at the crossroads. listen through the music of your car engine. Hear the wheels upon the road. They are where you are going. You can't with your hand forever in the microwave oven! Cut it off and cook it for your neighbour.

1984 is not a witches cauldron. Those are the bubbles of inspiration you see rising to the surface. Throw yourself into the year with confidence. There will be no Human Soup. Bathe in the rich sauces of mankinds Jacuzzi of abilities.

There are no losers!

Only BIG BROTHER — unless he joins us — instead of merely watching. DOUBLESPEAK is a forked Tongue — you can state your TRUTH in half that time and win the Olympic Pole Vault of life! That is not mist you see on your horizon — but the dust of others hanging in mid air — or could it be a multitude of White Dinosaurs who have lost their way....?

Be wise. signed Ralph STEADman 11.59 p.m. 31 January 1984

Rebel Roundup

OPERATION PEGASUS, the Pentagon's plan for war against Nicaragua, and divulged by Larry Birns, director of the Council of Hemispheric Affairs, is still on the drawing board. Pegasus is an option paper put together by both the Defense and State Departments. To incite the Nicaraguan government to fight a war, Honduras would send troops across the border following on the heels of Sandinistas, who would supposedly have crossed into Honduras after counter-revolutionary killers. Larry Birns has a high-ranking source in the State Department, who told him that the Pegasus plan upset him because "it ran counter to our national interests and, if implemented, would hurt the United States." The source, who read Pegasus to Birns over the phone, characterizes the military operation as partially in effect since the invasion of Grenada, most notably the recent Honduran attacks on Nicaraguan fishing boats. These and Honduran helicopter overflights of Nicaraguan territory were intended to goad the Nicaraguans into a response. Honduras is looking for an excuse to invoke the recently revived CONDECA pact, much like the Organization of Eastern Caribbean States was used to provide a shield for the U.S. invasion of Grenada. U.S. naval and air support would cover troops provided by Central American dictatorships in the Pegasus operation. U.S. government war makers are concerned, however, about the reaction of the Catholic Church and antiwar feelings in Congress and throughout the population. Birns' source says, "Apparently this administration still intends to implement Pegasus—it will just take a little longer now," also because the Sandinistas are well prepared for an invasion and have captured the attention of allies around the world with their cooperative diplomacy. *(L.A. Weekly)*

AMERICAN TROOPS out of the Lebanese quagmire was called for recently by three former directors of the CIA. William Colby, Stansfield Turner, and James Schlesinger all agreed that the 1,400 Marines stationed in Beirut are too small a force to have any great effect on Lebanon's civil war and are too vulnerable to attack. "It is probably a blunder to have gotten in," Schlesinger stated on a nationwide news program. Turner pointed to the recent Pentagon report on the suicide bombing of the U.S. Embassy in Beirut as evidence that "we were putting too much emphasis on the military option." Colby suggested that "if the purpose is to support the Gemayel government, we should be doing it with a military aid system and advisors, not Marines." *(Los Angeles Herald-Examiner)*

AN UNDERGROUND group linked to famed international terrorist "Carlos the Jackal" has claimed responsibility for two bombings in Marseilles, France and one in Lebanon. The Armed Arab Battle Organization says it carried out the bombings in order to avenge a French air strike against pro-Iranian Shiite militia in northeast Lebanon. One of the bombs exploded aboard a train as it entered a small French town, killing five people and injuring 45 others.

In 1975, "Carlos the Jackal," who has been accused of masterminding terrorist acts for over a decade, killed a member of the Armed Arab Battle group who was a

"Carlos the Jackal"

police informer, as well as two detectives attempting to arrest Carlos at his Paris hideout. The fugitive gun-runner and former CIA agent Frank Terpil once boasted to undercover agents that he trained "Carlos," whose real name is Illitch Ramirez Sanchez. In 1980 Jack Anderson reported that the CIA intervened in order to save "Carlos" from an assassination squad—acting on behalf of six South American dictatorships—known as "Operation Condor." The CIA's possible motivation for saving the life of this notorious terrorist is unclear, but one source suggested that "Carlos" may have been a CIA informant, which has in fact been the case with other Arab and Palestinian terrorists. *(Daily News, Los Angeles; Los Angeles Times; Washington Post)*

Nguyen Cao Ky

FORMER AIR FORCE CHIEF of South Vietnam Nguyen Cao Ky is believed to be the head of a Vietnamese underworld organization known as "The Association." Jack Anderson reported that Ky, also the ex-premier of South Vietnam, who strove to maintain an image of a struggling liquor-store owner trying to make a new life for himself in Southern California after the fall of the Saigon government, had in fact—according to law enforcement informants—brought at least $8- to-$10 million worth of gold, diamonds and currency out of South Vietnam with him. A 1979 report by an organized crime task force stated that "The Association"—with tentacles reaching into Vietnamese communities across the country—was "international in scope" and was engaged "in extortion, drugs, loan-sharking, gambling, prostitution, smuggling, welfare fraud, assault and murder." The refugee community, partly out of fear, has been reluctant to talk to police about the activities of the Vietnamese Mafia-type organization. A member of Ky's family strongly denied the allegations. *(Jack Anderson column)*

20,000 BRITISH and European women demonstrated at Greenham Common last month in one of England's largest peace actions. This is the largest of demonstrations at the military base housing cruise nuclear missiles, under 24-hour surveillance and protests by women camped there for over two consecutive years. The women succeeded in linking hands around the base's nine-mile perimeter. Scores of women were arrested for breaking down a portion of the fence. Since that action, more women have been arrested for entering the base. (*Guardian Weekly* [England])

TWO BILLION DOLLARS to improve NATO's air defense in Central Europe was agreed upon recently in Brussels by the defense ministers of the United States and West Germany. The deal includes the reciprocal purchase of American Patriot high-altitude missiles and Franco-German Roland missiles, short-range weapons similar to Britain's Rapier. This new deal comes at a time when the majority of citizens of western European nations oppose any new weapons on European soil. Daily hundreds of anti-missile activists are arrested in key European countries, especially West Germany, where the first of 572 new Pershing and cruise missiles are being installed. (*Guardian Weekly* [England])

ARGENTINA'S NEW DEMOCRACY will be playing high stakes when the new president Raul Alfonsin opens debt negotiations with the world's bankers, the International Monetary Fund and the industrialized countries. The incoming Radical Party administration inherits a foreign debt problem which is virtually insoluble in terms posed. Argentina's debt has risen from about U.S. $8 billion to $40 billion in the last seven years since the military coup, in 1976. President Alfonsin must also shape new policy toward the United States as Argentina has been used to train counter-insurgency troops for various Central and South American dictatorships, the latest El Salvador. Apparently, Argentina has withdrawn its advisers, formerly used to teach torture tactics. (*South* [England])

ALTERNATIVE NOBEL PRIZE, an award honoring and supporting people developing practical answers to the dangers of nuclear and ecological disaster, was awarded to Amory and Hunter Lovins, Yutaka Gibbons, traditional High Chief of the Republic of Belau—the first nation to adopt a constitution that bans nuclear and toxic substances from its territory—and Manfred Max-Neef, a Chilean economist. The annual award, given by the England-based Right Livelihood Foundation in December, is a grass roots answer to the Stockholm Nobel Prize, considered to be a more establishment political tool. There have been nine recipients and three special honorary awards since the Alternative Nobel Prize's inception in 1980. Each recipient receives $16,000.

AUSTRALIA DENIED docking facilities to the British aircraft carrier Invincible because it might be carrying nuclear weapons. The United States government is upset with the Australian decision and sent a strong message of protest, demanding an explanation of what the action might mean for U.S. vessels and the Anza military alliance, linking Washington with Canberra and Wellington. Other nations refuse docking rights to military vessels carrying nuclear weapons, including Japan, which also denied a berth to the Invincible. Increasing numbers of people throughout the world fear having nuclear weapons enter their territory, believing they only add to the escalating possibility of nuclear war. (*Guardian Weekly* [England])

ANTI-NUKE ACTIVISTS are in jail this month as a result of demonstrating at the Strategic Air Command headquarters near Omaha, Nebraska. SAC headquarters, an underground facility which houses the controls for air or ground-launched nuclear war, has been the focus of protest for several years. Last August 7, the largest demonstration at the base took place in commemoration of the nuclear bombings at Hiroshima and Nagaski. Two hundred people were arrested when they crossed a police line onto the Offutt base at the SAC gate. Sentences range from one week to two months for trespassing charges. Many of those sentenced also received one year probation and include nuns and priests. More civil disobedience actions are planned, building toward a large secular demonstration set for August. (*Guardian Weekly* [England])

TESTING NUCLEAR weapons in the atmosphere has left a legacy of airborne fallout that will result in a collective population dose of about 800 million person-rems, according to a United Nations report. Two hundred to 500 rems per person can be deadly, and the radiation fallout will not be evenly distributed. Although atmospheric nuclear testing was banned by treaty many years ago, estimates of cancer deaths above the norm range from 180,000 to 5.5 million, much of it suspected to be caused by nuclear radiation. *(Not Man Apart)*

One nuclear bomb

A REAGAN APPOINTEE to a little-known government agency is causing a flap on Capitol Hill over his attempts to stack the agency with hard-line anti-communists. Victor Blanco, a right-wing Cuban-American businessman, was appointed by President Reagan to head the Inter-American Foundation, which was set up by Congress to give direct aid to the poor in Latin America. Reagan advisers and the ultra-conservative Heritage Foundation suspected the agency of giving U.S. funds to Marxist and other leftist groups, and it was for this reason that Blanco was brought in to make revisions. But Blanco's heavy-handed overhaul of the Inter-American Foundation caused considerable concern among the members of Sen. Charles Percy's Foreign Relations Committee. An internal committee memorandum referred to Blanco as "an unguided missile" likely to cause "unnecessary embarrassment" to the White House. Among the complaints against Blanco: He tried to stack the agency with hard-line anti-communists while Congress was in recess; he prepared dossiers on specific foundation grants, which he sent to President Reagan along with cover letters accusing the grant recipients of links to leftist groups. *(Jack Anderson column)*

Senator Charles Percy

"THE DAY AFTER" TV movie sparked Takoma Park, Maryland, a suburb city of Washington, D.C., to declare itself a nuclear-free zone. It became the 26th American city to declare itself atomic-free. Takoma Park's city council voted unanimously to forbid city government from doing business with any companies involved in the manufacture of nuclear weapons, and also banned the storage, transportation or activation of nuclear material within city limits. *(Not Man Apart)*

Rebel News

U.S. Report Proves Grenadan Fears

A State Department report issued to prove U.S. charges that Grenada represented a security threat demonstrates the limited nature of that country's military capability. The "Preliminary Report" was issued in late December along with the third batch of documents the Reagan Administration says that it captured when it invaded the tiny island nation in late October. In the report the Grenada documents are cited, along with those released previously, as evidence of "a concerted effort to transform Grenada into an instrument for Soviet and Cuban military objectives." The report is labeled preliminary because of the large number of documents which the State Department says it has yet to release. Spokesman John Hughes said at the time the report was released that "50 linear feet" remain to be processed.

An American soldier stands guard in Grenada

There is no question that the documents do show that the Grenadan government of Prime Minister Maurice Bishop was receiving military aid, primarily in the form of rifles and ammunition, from the Soviet Union and its allies. Bishop made no secret of his fears of a U.S. invasion and of his opinion that the country must prepare to defend itself. But the documents themselves shed considerable doubt on the assertion that there was an effort to transform Grenada into "an instrument for Soviet and Cuban military objectives."

Of the "almost 900 Cuban, Soviet, North Korean, Libyan, East German, and Bulgarian personnel," that the report says the documents prove were on Grenada, over 700 were Cuban construction workers building the now notorious Point Salines Airport on the island's Southern tip. An early November visit to the prison camp where U.S. forces detained the Cubans allowed this reporter to look closely at the captives. Most were middle-aged and many were overweight, they looked more like construction workers than the soldiers some U.S. statements maintained they really were. The documents themselves show that among the East Germans were technicians working on a new telephone system for the island. Bright orange East German dial phones at the Grenada Beach Inn underline the fact that such equipment can also be put to civilian uses, such as calling for room service.

The documentation released to back the State Department charges highlights the limited scope of Grenada's military capabilities. A May 1982 letter from Gen. Hudson Austin to Vietnamese Gen. Van Tien Dung explains why 12 Grenadans would not be coming to Vietnam that month for military training as had been planned. Austin explains that Grenada is "unable to send the students in the period specified, due to problems in obtaining tickets for the flights." He suggests postponing the trip to September adding that he has indications the tickets will be available at that time. Austin closes his letter by saying he is sure Gen. Van will understand that "financial limitations hinder our ability to send the students at our own expense."

Soviet training of Grenadan personnel is also discussed in the documents. A Feb. 17, 1982 letter from Austin to then KGB director Yuri Andropov requests Soviet training for four Grenadans. Austin would like three to be given courses in Counter Intelligence and one to study Intelligence. Given the fact that the CIA was busily plotting the overthrow of his government at the time it is probably safe to assume that Austin did not feel he could shop around before deciding where to send the students.

Soviet assistance is also discussed in an internal New Jewel Movement memorandum released by the State Department. The memo explains that the Soviets have agreed to supply items for the party headquarters, grant 15 Grenadans scholarships for three, six or 12 months at Party School in the Soviet Union, host five New Jewel Movement members in the Soviet Union and sponsor a familiarization visit for an additional five. The memo also discusses the possibility of the Soviets supplying an airplane to the Bishop Government. Further information is requested. Would it be possible for the Grenadans to work out an agreement with Cuba to get training in how to operate and maintain the plane? Do the Grenadans have anyone available who might be able to fly the aircraft?

The small scale on which the Grenadans were dealing is highlighted by another document. New Jewel Movement member Ian Jacobs submitted a lengthy report on a trip to the United States. He writes that the trip was highly successful, adding that he has laid the groundwork to "raise between three and five thousand dollars." This, he says, should be enough to "allow us to purchase a word processor within the next three to six months." The memo carefully catalogues the local radio talk shows on which Jacobs appeared, as well as such events as lunch with the Oakland chapter of the U.S./Grenada Peoples' Friendship Society. A meeting with the Black Caucus of the California State Legislature resulted in passage of a resolution by the Caucus calling on the Reagan Administration to open talks on bettering relations with the Bishop Government and the promise to introduce a similar resolution in the legislature itself.

Along with the arms sent to Grenada there were also other, less sinister items. A list of "material means received from foreign countries," between 1979 and 1981 contains entries for thousands of rifles and for ammunition and rocket-propelled grenade launchers. Also included on the second page of the list are eight footballs, thirty-three table tennis balls, six pairs of boxing gloves, nine hand balls, three volleyballs and eight volleyball nets as well as other items listed as sports equipment provided by Cuba.

That Grenada felt the need to increase its military power cannot be denied. What the State Department is trying to argue is that this buildup somehow threatened U.S. security. The President himself told a nationwide television audience that U.S. troops arrived on the tiny island "just in time." The U.S. invasion proved Grenadan fears to be well founded. The captured documents that have been released fall short of proving the administration's case, but to raise questions of national sovereignty.—**T.C.**

Los Angeles Police on Trial

The Los Angeles Police Department, canonized in hundreds of TV shows and dozens of movies from *Adam 12* to *The New Centurions*, faces a different, tarnished image in an upcoming controversial trial. Scores of plaintiffs, through the

American Civil Liberties Union, are suing the LAPD for its intelligence operations. A lengthy trial is expected involving individuals and groups as far apart as communists and the mayor, Libertarians and the county Democratic Party.

Five years ago, hundreds of Los Angeles residents stepped up routine criticisms of police misconduct by organizing an initiative campaign aimed at restructuring the police force through a City Charter amendment. The Campaign for a Citizens Police Review Board hoped police brutality and intrusions into private lives could be investigated and curtailed through the creation of an independent, city-wide elected civilian police review board.

Despite its broad appeal and an amalgam of supporters, the campaign failed to qualify for the city ballot. The effort pressed the city government, however, to enact several reforms aimed at controlling the department.

The failed campaign issue faded into the *background, until last month when it was* revealed, through the pending lawsuit against police practices, that several undercover officers and informants had infiltrated and spied on the campaign and its activists. Despite its breadth—church groups, gays, whites, blacks, browns, Democrats and radicals—and its theme: anti-police abuse, not anti-police, the police dispatched spies on a regular basis. They reported to Chief of Police Daryl F. Gates.

During a lengthy pretrial process, police documents showed that for many years its Public Disorder Intelligence Division (PDID) agents and informants monitored and reported on—sometimes actively shaping activities of—hundreds of lawful political groups and individuals. PDID even collected information on the mayor, members of the City Council and the Police Commission—the appointed body that looks into police practices, using police officers to investigate themselves.

Dissatisfied with Los Angeles city's legal representation of the defendant Police Department, the PDID launched an investigation into its own lawyers in the City Attorney's office. One former LAPD intelligence officer—assigned to organized crime investigations—also testified at a deposition hearing that his superiors twice instructed him to investigate the sexual habits of city officials. The apparent goal was to acquire blackmail material.

The spying scandal extends beyond collection and recording of information on citizens' lawful activities. Concern is raised regarding dissemination and use of information. Critics charge the police share dossiers with FBI and CIA agents, even private political organizations.

PDID detective Jay Paul was in charge of a massive computerization endeavor by a right-wing foundation, Western Goals, to compile intelligence information on countless Americans on the left side of the spectrum. Over 100 boxes of intelligence documents were found in Paul's home and garage.

LAPD spies reported to Police Chief Gates

Police did not want the campaigners for a citizens review board to win approval for an independent controlling board that would probe complaints from citizens who charged police abuse, a board with powers of disciplining officers found in violation of rules and laws. Police Chief Gates claimed such a review process would be a "kangaroo court."

The review board idea was born in the spring of 1979 at an event called "Police Crimes Tribunal." Frustrated by the unwillingness of the LAPD to seriously investigate police officers involved in a spate of questionable killings, a coalition of neighbors convened its own tribunal. William Marshall, the stage and screen actor, presided over the proceedings as the judge. Although nothing illegal was discussed by the tribunal, it was subjected to a two-page briefing report prepared for Chief Gates. Despite regulations limiting police invesetigations to terrorists and violent criminals, an investigation occurred, concluding that the tribunal was "generally boring," and conducted "without incident." The briefing also refers to the presence of celebrities and a state senator, but focuses on a former LAPD officer's speech in which he is reported to have said, "the LAPD has a generally racist attitude, its officers cover-up charges of abuse, and make false arrests if they dislike a person's attitude."

Police undercover officer Donald Rochon became a regular spy and in one report described a speaking engagement by campaign spokespersons on unjustified shootings by police officers as "well organized, all speakers had data including dates, locations, names of officers and suspects, circumstances of the shootings and the department's response to the shootings. They were articulate and very convincing."

Several months into the petition drive, the campaign was jolted by the discovery that a stock of completed petitions had disappeared. The incident rekindled internal campaign dissension, recriminations and debate about the competency of staff members who worked in the campaign office. While the thief remains unknown, suspicion is cast about among close associates, causing stress. Whether the subjects of LAPD surveillance can learn the agent's identity is under debate before the California Supreme Court, concurrently with the beginnings of an acrimonious city trial.—**J.C.**

Sinatra suit would destroy the First *Amendment*

If Frank Sinatra has his way, there will be one law for ordinary folks and another for the "Chairman of the Board." This is the implication of the legal action Sinatra has taken to prevent the well-known celebrity biographer Kitty Kelley from writing his life story. His case rests on a radical interpretation of the U.S. Constitution that would exempt the rich and powerful from public comment and scrutiny.

The suit filed last September by Sinatra's lawyer, John D. Forbess, is a remarkable document. It claims that Sinatra's company, Camden Enterprises, has exclusive rights to exploit Sinatra's name and fame. While acknowledging that Sinatra is a "world-renowned entertainer," the suit claims this position is solely the result of "personal efforts . . . in marketing and controlling the quality of his performances and his identification before the public."

Bluntly, Sinatra is attempting to convert his "inside story" into private property which may be "exploited" only by those licensed by him to do so.

Normally, such a "nuisance" suit would be swiftly thrown out of court. But this case has been slowly moving through the judicial process for over four months and no resolution is expected for some time. One inevitably suspects that this suit is being manipulated by political forces who see it as an opportunity to establish legal precedents for censorship and control of the press by limiting its access to information.

The case has prompted an organized defense of the press freedoms it threatens. Soon after the suit was filed, Kelley brought the matter to the attention of the National Writers Union, which formed a coalition of writers groups to fight for her rights. The coalition includes the Reporters Committee for Freedom of the Press,

AP/WIDE WORLD

He wants his story to be private property

the American Society of Journalists and Authors, Washington Independent Writers, PEN, and the Newspaper Guild, as well as the National Writers Union.

Kelley was amazed and grateful for the speedy response. "The Writers Union was phenomenal," she said. "It took them two seconds to see the issues. Their support has enabled me to go on with the book. I couldn't have done it alone."

Kelley has also been supported by her publisher, Bantam Books, which has offered her its "unstinting support . . . in whatever capacity we are able to help in this matter." There are reports that Bantam's offer to give her "more than moral support" may soon include aid in her legal defense.

A statement by the coalition of writers' groups charged that Sinatra's suit is "an assault upon that author's—and all writers'—constitutionally protected freedom of expression." It added that the suit "is a chilling example of how a powerful public figure using money and influence can orchestrate what the public shall know about him."

John Dinges, secretary of the National Writers Union, says the case has far-reaching implications. "It's part of the pattern we've been seeing, led by government actions hacking away at First Amendment rights, favoring the rights of corporations," he said. "Sinatra is saying his life story is more important than the First Amendment."

"This suit is part of a dangerous attempt to establish business rights over the Bill of Rights," Dinges said, pointing out that Sinatra isn't arguing the case merely as an individual, but as a corporate entity.

When contacted, Sinatra's lawyer, John D. Forbess of Rudin, Richman & Appel of Beverly Hills, would not respond to questions. According to his secretary, "Our office has a policy not to deal with any media." Lee Solters, Sinatra's press "representative," said, "The lawsuit as filed is exactly what it says." Reacting to charges that the suit may represent a threat to the First Amendment right of the working press, Solters said, "It's not a question of the First Amendment or stopping Kelley from writing the book, it's to stop Kelley's use of devious methods, misrepresenting herself to get people to talk about Sinatra." Solters added, "As the lawsuit makes clear, Sinatra is against devious practices."

Sinatra's corporate identity, Camden Enterprises, Ltd., of Nevada, brought the suit in Los Angeles County Superior Court, under a California statute usually used to protect business names. In particular, the law is most often used to protect the unique names of used car dealers and similar establishments, where reputation and reliability can determine success.

The suit charges that Kelley made false and misleading statements, that she was preparing a biography "with the blessings of Sinatra." Sinatra claims that Kelley's alleged actions were "intentional, willful, wanton, malicious, oppressive, and were undertaken in conscious disregard of plaintiff's rights." He is suing for $2 million, to ease the pain.

The suit has not intimidated Kelley, who denies any wrongdoing on her part. "I'm continuing with the book," she told *The Rebel*. "I'm not stopping." However, she conceded that, "Any time you're sued by one of the most powerful people in the world, for $2 million, it is very disrupting."

Perhaps what makes Sinatra's suit most unique is that it would censor Kelley's work before any words have been set on paper. It is a private attempt at prior restraint. The suit would bar Kelley from conducting any further interviews, thus muzzling former Sinatra acquaintances as well as the would-be author.

But Kelly is no novice. She is the author of two best-selling biographies—*Jackie Oh!* (on Jacqueline Kennedy Onassis) and *Elizabeth Taylor—The Last Star*. This ranks Kelley with Hollywood's top gossip writers. However, her solid journalistic credentials have helped fuel reports that this case has political roots as well. Before her career as a celebrity biographer Kelley was editorial page researcher with the *Washington Post*, and previously served as press secretary for former Sen. Eugene McCarthy.

Sinatra, whose hawkish conservatism is well known, has enjoyed symbolic, if not direct, support from the Reagan Administration. In December, President Reagan hailed Sinatra at the Kennedy Center Honors for his contribution to American culture. In particular, Reagan said Sinatra "taught us a great deal about grace and beauty, [and] helped build the distinctive American civilization."

Sinatra certainly helped the Reagans: He was one of the star performers at the gala Reagan inauguration, and further cultivated his relationship with the President by donating $10,000 to help redecorate the Reagan's living quarters in the White House. Not surprisingly, then, despite alleged organized crime connections which kept Sinatra out of the White House since the Kennedy Administration, the Reagan White House has a soft spot for the conservative "Chairman of the Board."

Not all conservatives are flocking to Sinatra's side. William Safire, the *New York Times* columnist (and one-time Nixon speechwriter), warned that the suit "suggests to people of wealth and power a new way to harass journalists. . . . The Sinatra technique would show others how to close down any small paper or magazine or broadcaster that dared to take on the powers that be." He concluded that, in bringing his suit, Sinatra "displays the embittered arrogance of a man possessed."

In his old age, Sinatra, now 69, has sought respectability of sorts. He wants the public to forget his Rat Pack peccadillos. He has helped raise funds for candidates of both major political parties, and has donated his talents to help various charities. Unfortunately, the image remains tarnished.

Less than two weeks after the Presidential honors, Sinatra's seamier side surfaced, amid reports that he had "intimidated" a woman dealer at a gambling table at the Golden Nugget casino in Atlantic City. According to New Jersey state gaming officials, Sinatra allegedly demanded the dealer hand-deal cards for a game of blackjack with Dean Martin, violating a law mandating use of a "dealer's shoe," to prevent cheating.

In December, Kitty Kelley's lawyer, Bill Vaughn, filed a petition of removal to get the Sinatra suit transferred from a state court to a federal court. Vaughn told *The Rebel* that in response to Sinatra's complaint he filed an answer denying all allegations.

"We admit, of course, that Sinatra is a well-known entertainer, and that there is great public interest in his life story," Vaughn said. "But that's it. We deny everything else."

Ironically, Sinatra's action may have had the opposite effect than the one intended.

According to Kelley, no one has declined to be interviewed about Sinatra's past because of the suit. In fact, she said, "Many of the people I interviewed confidentially for the biography earlier have been so outraged that they've now said I can quote them by name."—**J.M.**

Funny Money

Next time you pay for something in cash, look at your money carefully. It's changing.

The government is considering several plans to redesign dollar bills to keep one step ahead of counterfeiters. The changes would affect the appearance of $1, $5, $20, $50 and $100 bills. Among the options under consideration are complex changes in the color of the dollar bills, using new sophisticated printing methods to create a slight three-dimensional appearance, and the use of encoded color or metallic threads woven into the currency paper.

The coins you jingle in your pocket are being altered, too. Their metal content is being shifted to reduce the cost and weight minting. By 1990, we could be using bits of plastic and rainbow-tinted slips of paper as American original tender.

The U.S. Treasury, which is in charge of all printing and minting of currency, has been working on the proposed changes since 1978, and the results may appear in our wallets as early as 1986. The changes would represent the first major alteration in the appearance of the dollar bill since 1953, when the motto, "In God We Trust," was inserted. The last change before that occurred in 1928.

Many Americans remember another change: U.S. Notes, which could be redeemed for their face value in silver, were discontinued in 1966. The only bills now in circulation are Federal Reserve Notes, whose only real value is in what the public believes the fancy scrip to be worth.

The current changes have been made necessary because of dramatic advances in color reproduction machines. According to Robert Levine, a Treasury spokesman, the technology will soon enable counterfeiters to copy the current type of dollar bill with such accuracy that no ordinary teller—or teller machine— could spot the fakes. Worse, the new technology will be so widely available, in friendly neighborhood copy shops, that just about anyone could copy whatever amount of money they need.

The currency changes being discussed, which would foil such attempts to copy, have not been without political overtones. Several marketing studies have been run to determine how much change the public would accept. One result was soon clear: The greenback must stay green. Or, as it actually is, green on the back and black on the front. Levine strongly denied reports that the proposed changes included printing pink and blue dollars. No, he said, "background tinting would be similar" to the current bills. While colored threads may be incorporated into the design, he added that the printing processes "would not change the appearance of a bill by more than 10 percent."

By 1990, we could be using bits of rainbow-tinted slips of paper as original tender

Ironically, although counterfeiting has long captured the public imagination, it is relatively unimportant criminal activity. Mike Tarr, a special agent of the Secret Service, which is charged with pursuing counterfeiters, reports that phony dollar bills with a face value of $7,802,930 were successfully passed onto the public in 1983, while another $63,959,780 was seized by federal agents. The figures for counterfeit coins are almost laughable: $1,037 worth were passed onto the public, while the Secret Service seized $4,146 worth of illegal coinage last year. "There are special problems in counterfeiting coins," says Tarr. "You'd be dealing with coin dealers, who know what they're looking for."

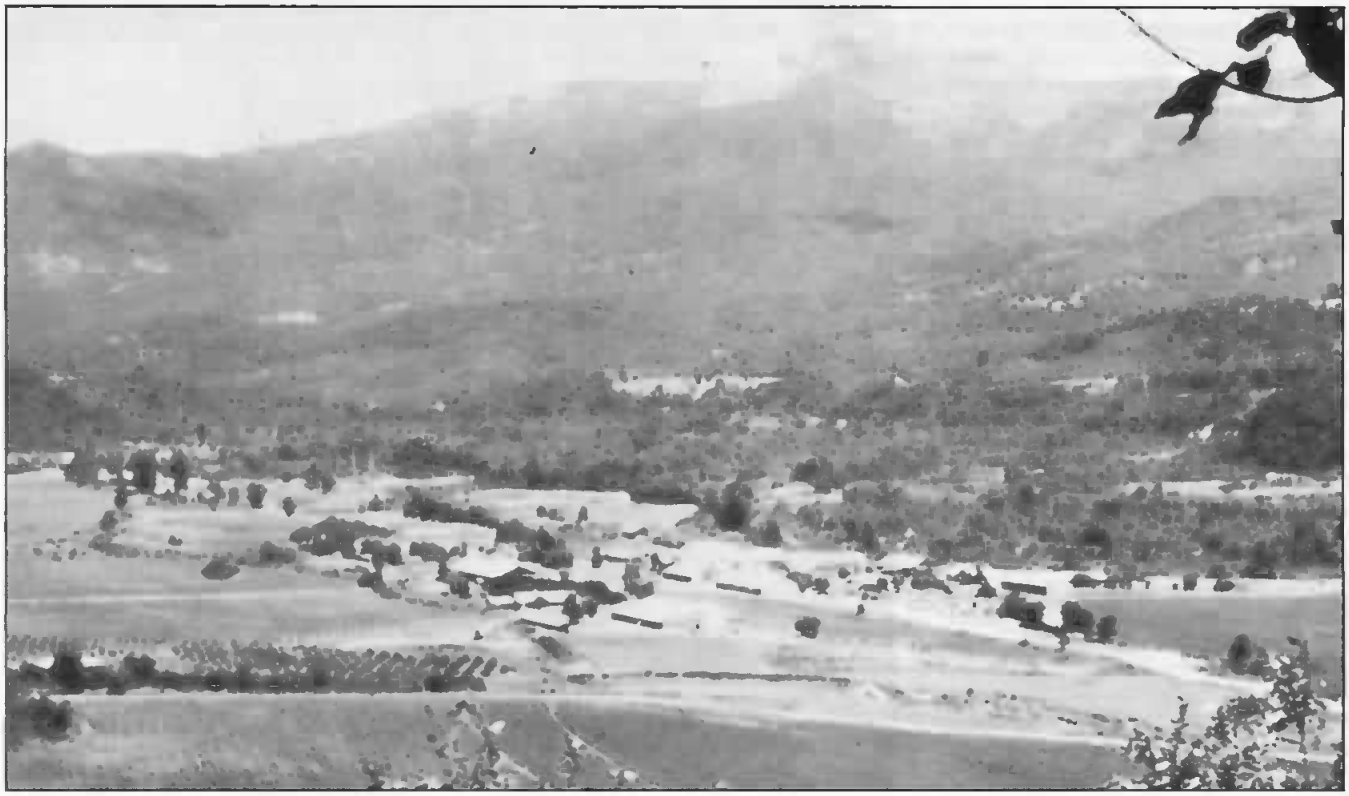
As for President Reagan's pet phobia, welfare cheaters, it is worth noting that the Secret Service—which has 63 field officers combing the country looking out for counterfeit money, bonds and stamps—has yet to seize any privately minted food stamps.

Concern over counterfeiting isn't the only reason for some of the changes being made in American money. The Bureau of the Mint, which makes all dollar-denomination coins, has been steadily altering the metal content of America's hard currency. Until 1964, dimes, quarters and half-dollars were 90 percent silver. In a series of steps starting that year, the content was changed. Now, none of these coins contains silver: Since 1971, they have consisted of a copper core with a 75 percent copper/25 percent nickel face. Even the lowly one-cent piece hasn't escaped devaluation. Since 1982, pennies have been 97.5 percent zinc. The only copper they have is a wafer thin coat.

According to Frank Deleo, an official at the Bureau of the Mint, these changes were instituted to offset mounting costs for precious and strategic metals. The change in the penny alone saved the U.S. $25 million last year. The new coins are also a bit lighter than the old ones. It once took 145 copper pennies to make a pound, but there are 181 zinc pennies to one pound today.

We can expect further debasement of the currency in the future, because of using production costs. Last year, the governent produced 14.6 billion pennies, 985 million nickels, 1.2 billion dimes, 1.85 billion quarters and 85 million half dollars. That's a lot of copper, nickel and zinc. So, not surprisingly, Deleo said the Bureau of the Mint is "looking into the feasibility of using plastics or other metals."

Nothing is final. The earliest changes in coinage we could expect to see, based on the recent experience with the penny, would not appear until 1988. But there is a good chance that before the decade is out, coins, like cars, will have little metal in them.—**J.M.**



This 10,000 acre farm looks peaceful from afar but is actually a torture center

Colonia Dignidad

This 10,000-acre German farm at the foot of the Andes is a gateway to hell for the victims of Chile's secret police

By John Dinges

What goes on inside Colonia Dignidad has always been a secret, especially since the right-wing military dictatorship took power in Chile 10 years ago.

Public records show that the Colony holds about 350 German immigrants and a few Chilean orphans. It is located on a remote 10,000-acre farm along the Andes mountains 240 miles south of Santiago. The colonists speak only German and go out only in groups—the nearest small town is 25 miles of rough road away. There is no telephone to the outside, but powerful radio transmitters link the farm to a colony office in Santiago and to a sister colony in West Germany, near Bonn.

High fences guarded by dogs and armed men keep the colonists in—and outsiders out. Journalists who have attempted to visit Colonia Dignidad have been turned away, then picked up by Chilean police, questioned, and in some cases arrested and expelled from the country.

Just another xenophobic settlement of Europeans carving out their own bizarre, but innocent world in a remote corner of South America? This is the story of those who fear that Colonia Dignidad may prove

to be a Chilean Buchenwald, hiding some of the grisliest deeds of terror, torture and multiple killing ever committed in South America's already brutal recent history.

It is the story of Luis Peebles, Adriana Borquez, and other Chilean dissidents who charge that Colonia Dignidad was the secret prison where they were tortured during the height of repression by Chile's rightist military dictatorship—and of their struggle to prove they recognized the Colony despite the blindfolds their captors taped on their eyes.

It is the story of three turncoat agents of Chile's secret police who say they went to Colonia Dignidad on secret missions—and describe what they saw. One claims to know that the Colony was one of the places the secret police used to dispose of the bodies of the "disappeared"—political prisoners who vanished after arrest. Another agent was murdered shortly after telling his story in a taped interview with Chilean human rights officials.

It is the story of Paul Schaefer, the shadowy leader of Colonia Dignidad—a fugitive from child molestation charges in Germany in the 1950s, identified by two of the repentant agents as the fanatical Nazi known as the "Doctor" in charge of the secret torture and execution center at the Colony.

It is the stories of Wolfgang Mueller, who fled the Colony in the 1960s claiming he had been forced to submit sexually to Schaefer while a young boy, and Mueller's contemporary, Gunther Reis, who now lives in California and harbors fond memories of his years as a colonist. Mueller and other runaways in the early years of the Colony described group mind control and total submission to Schaefer, slave-like seven-day work weeks, beatings and forced injections with mind-altering drugs.

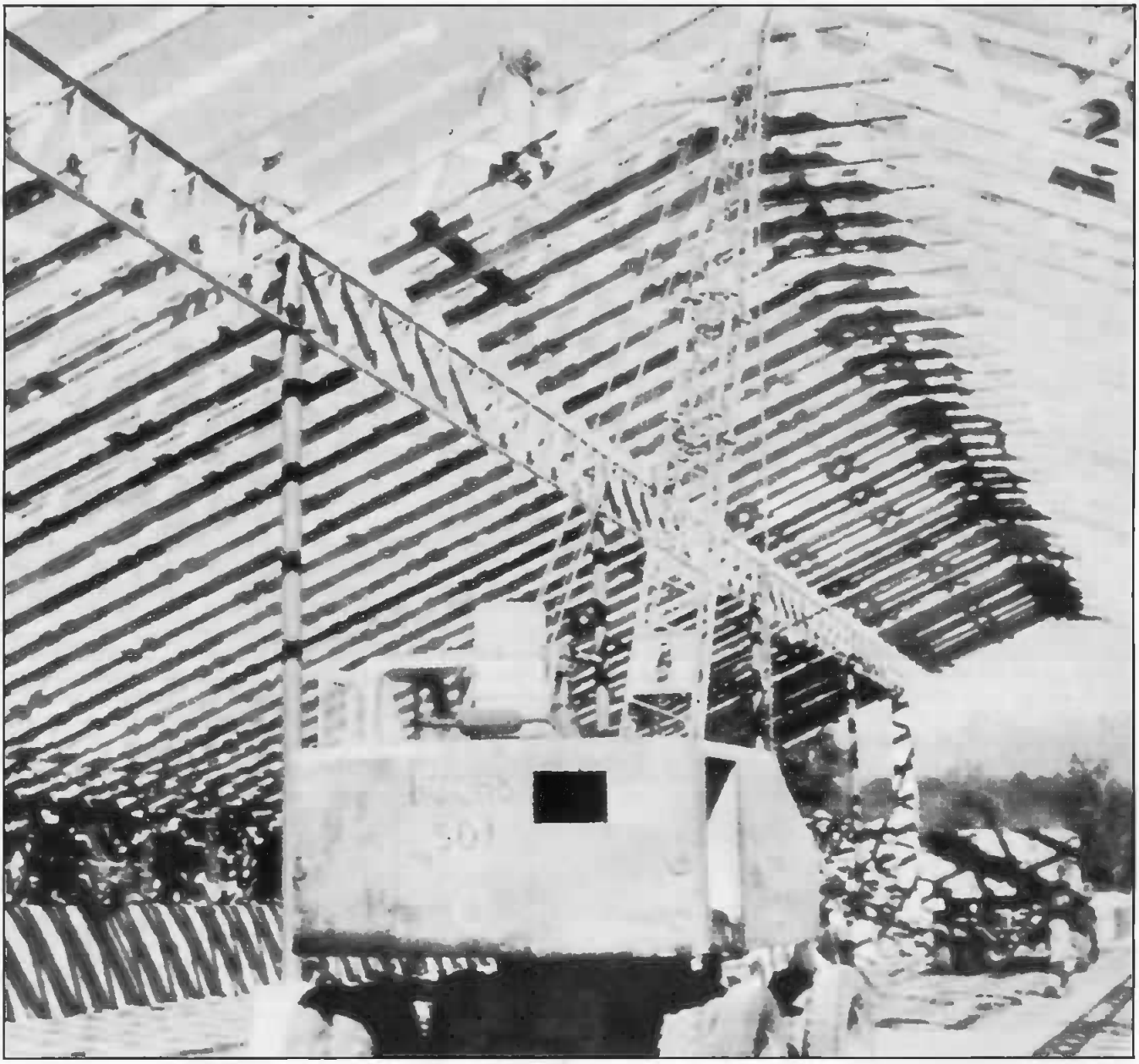
The charges, despite mutually consistent reports by dozens of self-proclaimed victims of mistreatment at Colonia Dignidad, have never been verified by independent outsiders. The Chilean military government has steadfastly protected the Colony from investigators' attempts to visit the Colony and interview colonists away from their leaders. The UN Human Rights Commission was turned away when it tried to investigate on the scene. The West German section of Amnesty International and Stern magazine, who published the charges, have been tied up in a long suit brought by Colonia Dignidad for defamation—but Chile refused the West German court permission to hear witnesses inside Chile.

The most substantial independent backing for the reports has come from a source likely to have access to such knowledge—the U.S. Central Intelligence Agency, in still-secret testimony to a U.S. Senate committee. Further backing came from confidential accounts of the FBI's investigation of the Chilean government's involvement in the Washington, D.C. murders of Chilean exile leader Orlando Letelier, and an American woman in 1976.

This year, for the first time, a real possibility has emerged that the mystery of Colonia Dignidad may soon be resolved. Since May, opposition protests have cast doubt on the ability of dictator Gen. Augusto Pinochet to remain in power. If and when Pinochet falls and is succeeded by a democratic, human-rights-conscious regime, the way will be open for full investigation of the disappearance of the 650 people (by the most conservative account) who disappeared at the hands of Pinochet's secret police. For the first time, the bars will be dropped to a full investigation of Colonia Dignidad's alleged role in those crimes.

Three Colony leaders agreed to be interviewed while they were in West Germany in connection with the Bonn court case. They were Hugo Baar, a vigorous former Baptist minister who was one of the founders of the colony in Germany nearly three decades ago, Hans-Juergen Blanck and Erica Blanck, his wife, both members of the board of directors of the colony.

The colony has a 80-bed hospital complete with its own plastic surgeon



The work goes on in this Chilean colony

They refused—at times angrily—to discuss accusations against the Colony in detail. Baar said the charges were "slander, A to Z," inspired by leftists seeking to discredit the Pinochet government.

They showed a 15-minute video cassette film of Colonia Dignidad they said will be used in an international public relations campaign to tell the truth about the Colony. The film, of near professional quality, shows laughing children reciting greetings on a lush green lawn next to a lily pond where white swans are swimming. The Colony choir sings hauntingly beautiful German classical melodies, and an orchestra performs. One is told that each Colony member is trained to play an instrument. There are riverside fishing scenes and panoramas of mountain scenery.

They also showed a 60-page color brochure with before-and-after pictures recording the Colony's progress. Prepared to celebrate the Colony's 15th anniversary in 1976, the book evokes the atmosphere of a pre-World II peasant village in Eastern Europe. Men wear baggy work clothes or dark suits, young girls are in pigtails, and adult women wear a uniform of mid-calf length dresses and identical hair style—combed back tightly at the side and top into a severe bun at the back of the head.

There are photos of young boys performing closely drilled gymnastic exercises and of workers building houses and driving farm machinery.

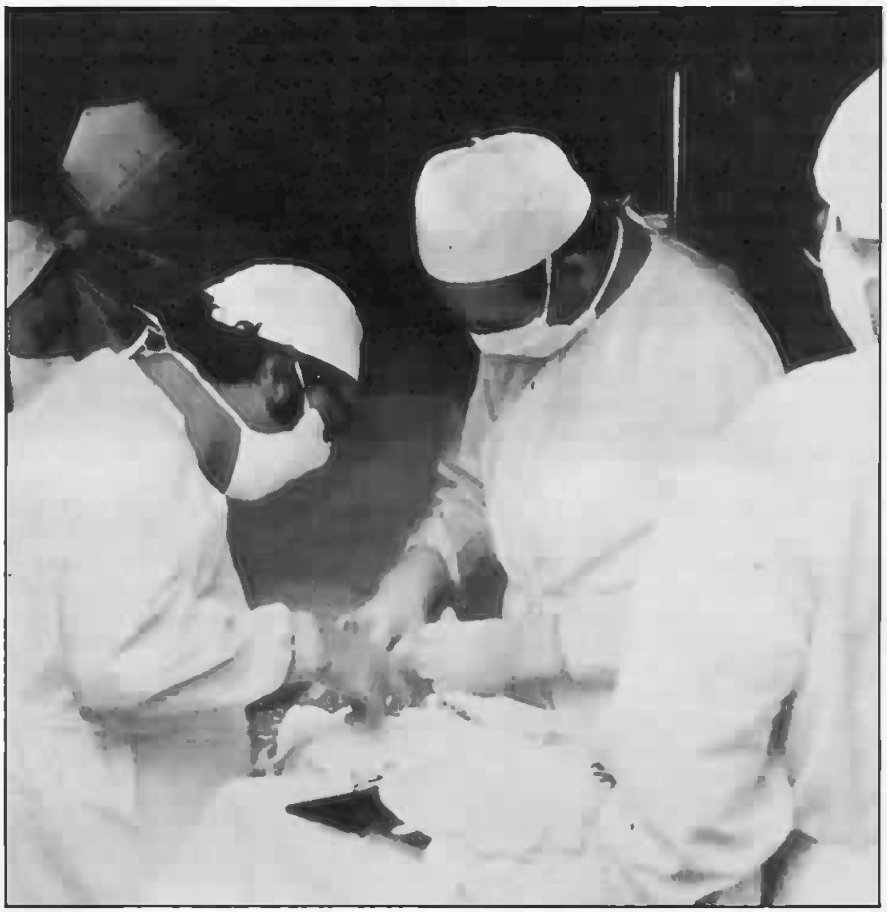
Both the Chilean government and officials of Colonia Dignidad proclaim the economic success of this settlement in Chile. As one of the country's largest and most diversified agro-industrial complexes, the Colony is held as a model of innovation and productivity. Imported farm and dairy equipment, poultry breeders and workshops for precision metal work are as modern as any in Chile. It has an air strip and a 100-phone telephone network with no outside line to the rest of Chile. The Colony produces its own electricity with hydroelectric and gasoline driven generators. It operates a fleet of heavy trucks, earth-moving equipment and a gravel quarry, and over the years has resurfaced hundreds of miles of roads and built a number of steel and concrete bridges on contract with the government. Colonia Dignidad brand bread and cheese, sold through outlets in many southern Chile cities, including Concepción, are highly prized.

The Colony has a fully equipped hospital, whose medical staff includes a plastic surgeon—an unusual specialty for country medicine. Even stranger is the hospital's 80-bed capacity—more than one bed for each four Colony members. Hospitals that

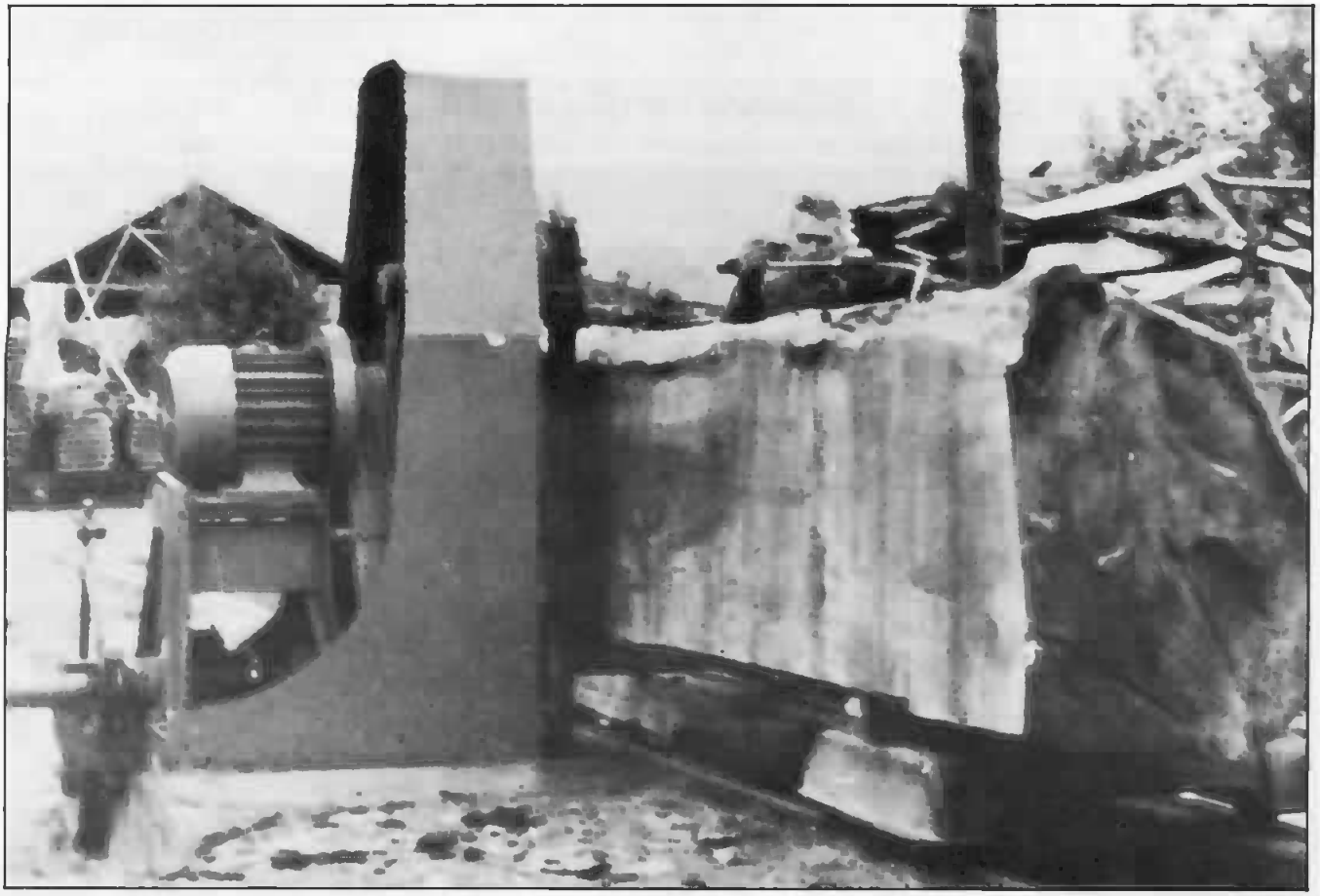
size usually serve communities of up to 10,000 people in developed countries such as the United States and even larger areas in poor countries such as Chile. The Colony opens the hospital for out-patient care once a week to peasants from surrounding farms, whose visits are carefully supervised, according to Chilean journalistic accounts.

The history of the organization that became Colonia Dignidad and of its leaders has been fraught with controversy from the beginning, according to its 30-year history, reconstructed from interviews and journalistic accounts. At the center is a charismatic figure, Paul Schaefer, a spellbinding evangelical preacher and youth leader who gathered about him a loyal community of followers amidst the social dislocation and political bitterness of post-Hitler Allied-occupied Germany. He had lost his left eye—apparently the result of a war wound. A glass eye set immobile below a broad forehead made him wall-eyed—and unforgettable to anyone who met him. He was an athlete, a pistol sharpshooter, and a musician.

Schaefer attracted two other preachers with small followings: Baar, who took his congregation out of the Baptist church to join Schaefer, and Hermann Schmidt, a former major in Germany's World War II Luftwaffe. In 1956 they forged a community of their followers in the small town of



Surgery progresses in Colonia hospital



Agriculture is a large part of the colony's economic success

Siegburg, near Bonn. Members pledged obedience to the community leaders, and turned over all property and wages to the community's legal entity, called the Private Social Mission.

Many of the early members were *Volksdeutsche*—Germans who had fled after the war from the Soviet occupied areas of Poland and Czechoslovakia. They were often highly skilled craftsmen and tradesmen—bakers, machinists, pharmacists. At first the group's focus was on children. "We started out with no plan, just the idea that we wanted to help children who had lost their fathers, to take them on camping trips in the summer and eventually to bring orphans or half-orphans into the home," Baar recalled.

By 1961, there were about 200 adult members, a newly constructed Children's Home surrounded by sturdy fences, and 25 children living in the home, many of whom had been placed by parents who had joined the community. Wolfgang Mueller, who later fled the Colony after it had moved to Chile, entered the home as a boy in his early teens and soon became one of Schaefer's favorites. Now living in Hamburg, West Germany, Mueller described the sudden decision to move the community to Chile in 1961. He said Schaefer preached one day that he had had a dream: "In his dream, the Russian troops had poured over the border into West Germany. He said that to save us we had to get out of Germany."

Baar, who teamed up with Schaefer in the mid-1950s, said the three leaders first searched for a suitable site for a colony during a three-month tour of Morocco, Tunisia, Egypt, Jordan and Egypt. Then, at the invitation of Chile's ambassador to Germany Arturo Maschke, Schaefer and Schmidt flew to Chile in mid-1961.

The two Germans bought a large house in Santiago and a rundown 6,000-acre farm estate 240 miles south. The land included three valleys with relatively flat fields blending into wooded foothills. The eastern limits were indefinite, ending somewhere in the Andes mountains just short of the border with Argentina. The nearest sizable town, 25 miles of gravel road to the west, was Parral, a drab farming community where Chile's Nobel Prize poet Pablo Neruda was born. The land cost $35,000. Four thousand acres of adjacent land were purchased several years later.

Back in Germany, a scandal had broken out in Schaefer's absence. Parents of several boarders at the Children's Home brought charges against Schaefer, alleging that he beat adolescent girls and abused young boys homosexually. German newspapers cited police documents containing the charges and statement of the alleged victims. The newspapers traced Schaefer's career as a youth leader and claimed that the accusation of homosexuality had caused him to lose a job as church youth leader in the early 1950s.

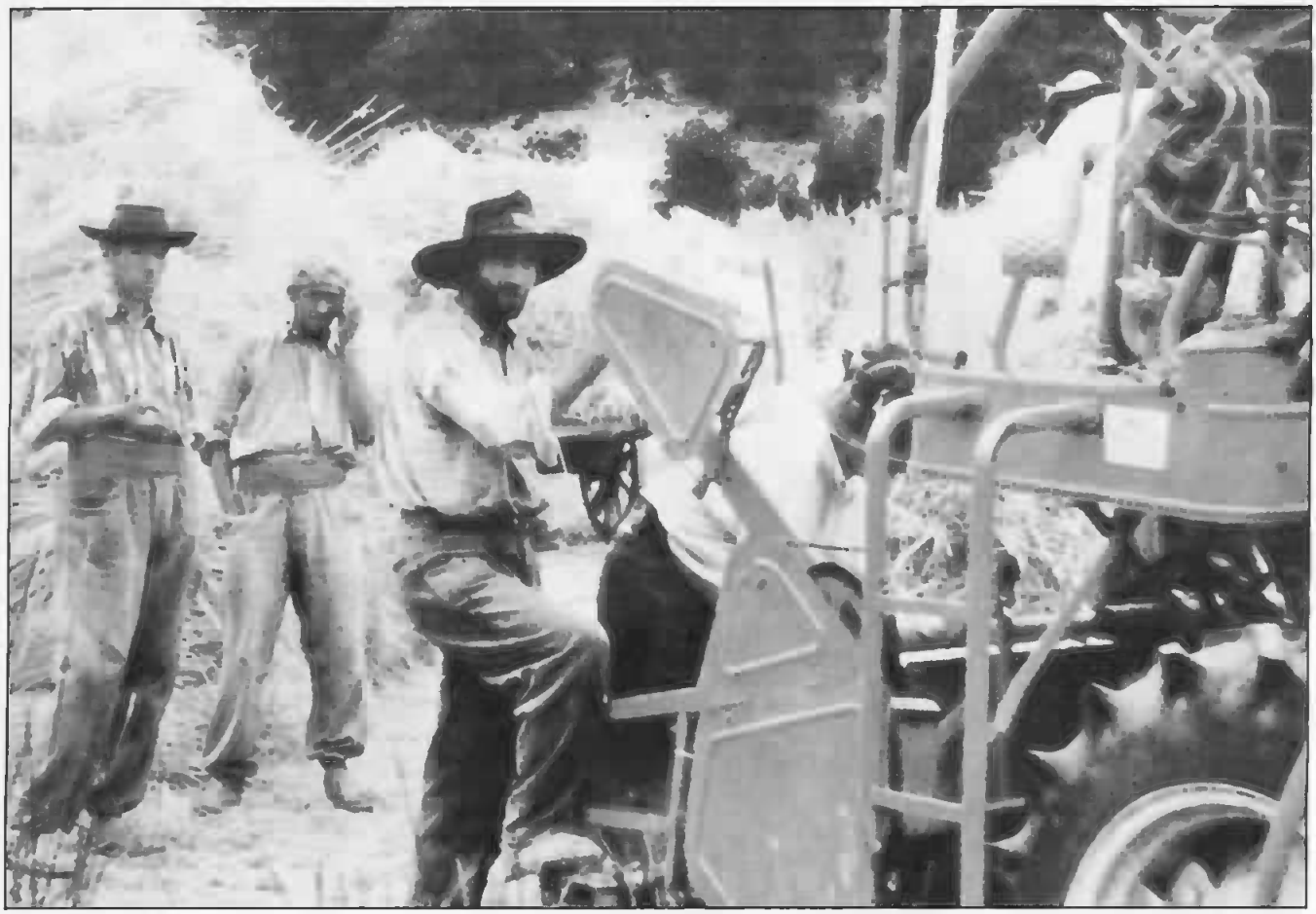
The scandal expedited the exodus. About 230 colonists and tons of heavy machinery made the move to Chile over the next two years.

The Colony's machinery, brought on two chartered ships, according to Baar, entered Chile duty free, and the "Benevolent and Educational Society, Dignidad" was incorporated under Chilean law as a tax exempt, non-profit organization for the purpose of founding an orphanage. Schmidt and one other member appeared as owners of the land, which was leased for a nominal sum to the Dignidad "corporation." Pictures of the early period show men and women clearing rocks and stumps from fields with their hands, and living in tents. There are musical instruments, and an early photo shows Schaefer conducting an outdoor practice session of the camp orchestra.

Gunther Reiss, who now lives in Redlands, California, was among the early arrivals. A teen-ager, he was appointed head of a 25-man work crew that included Mueller, who came to the Colony about the same time. They are two of only five persons known to have dropped out of the Colony since it began in Chile. The other three could not be located. Reiss recalls the Colony experience as a combination of "round-the-clock-work" and Peace Corps-type idealism, as an opportunity to "put Christianity into practice, to help underdeveloped countries." He left Chile in 1966 to study Public Health medicine with Colony financial support at San Joaquin Delta College in Stockton, California. Reiss continues to speak with affection about Colonia Dignidad.

Mueller said he managed to escape from the remote Colony on a horse in March 1966 after two unsuccessful tries. His statements to the Chilean press describing conditions at the Colony unleased a national scandal about Colonia Dignidad. He was 19 years old when he fled, and says he continues to suffer the trauma of the years under the influence of Paul Schaefer.

The colony has built a number of bridges on government contracts



Farmers in the Colony

He charged that Colony leader Schaefer was a "charming . . . dictator" who had abused him sexually, and ordered him beaten by other youths when he showed signs of rebellion against the Colony. Mueller said he was forced to take pills and shots that made him disoriented.

The furor over the Colony deepened with the escape at about the same time, of another colony member Wilhelmine Lindemann. According to a Chilean magazine account at the time, she stumbled, exhausted, into a policeman's house in Parral seeking refuge. "Men and women are strictly forbidden to live together, even if they are married," she was quoted as saying. "Schaefer explained that as long as there weren't enough houses, it was forbidden to have children or to have sexual relations."

The enigmatic Schaefer has not appeared in public in Chile since the early 1960s. Schmidt, Barr and Blanck are virtually the only Colony leaders to make statements on behalf of the Colony and appear in public. In addition to the former terrorist, however, three other persons interviewed by the author said they saw Schaefer: Erich Straetling, a former ambassador to Chile with a reputation for warm relations with Pinochet, said he was given a guided tour of the Colony in November 1976 and saw a man with one eye whom he believed was Schaefer. Gerhard Mertins, whose Bonn-based firm Merex is one of West Germany's principal dealers in the international weapons market, has organized a "circle of friends" in West Germany to defend Colonia Dignidad. He said he had met Schaefer several times during visits to the Colony in the late 1970s. Former colony member Gunther Reiss said he last saw Schaefer during a visit to Chile in 1968.

The Chilean police discovered an outstanding warrant from Germany transmitted several years before by Interpol charging Schaefer with child abuse. They found that Schaefer had entered Chile and left in 1961, but that there were no immigration records in his name after that year. If he had reentered the country, he had done so illegally.

(Baar, in the Bonn interview, said that Schaefer has lived in Chile since 1961 and has frequently traveled abroad. He said Schaefer did not appear to answer the warrant because "We [the board of directors] asked Herr Schaefer not to let himself get involved in a trial.")

Hector Taricco, the top government official in Linares Province, where the Colony is located, visited the Colonia Dignidad several times. "I verified that there was at least one individual in the Colony, Paul Schaefer, who was in the country illegally and had been charged with homosexuality in Bonn. He was wanted by the International Police, and he was the person who directed the Colony. I realized that inside the place there was no freedom, not even to love, that the residents . . . were prisoners guarded by sentinels and ferocious dogs; that visitors are surreptitiously tape-recorded and photographed . . . and never see more than 20 or 30 colonists, with no idea where the other 200 are," Tarricco said in a report. Official records showed that from the arrival of the first colonists in 1961 until 1968, only eight children had been born.

Chile, meanwhile, was undergoing a revolution. In 1970, the candidate of the leftist coalition Popular Unity, Socialist Salvador Allende, became president on a program calling for a radical redistribution of wealth and nationalization of the vast copper mining properties, most of them owned by U.S. companies.

In 1973, the Army's General Pinochet overthrew Allende. The Chilean military and U.S. diplomats later acknowledged that between 3,000 and 5,000 persons were killed in those early days, and human rights organizations put the toll even higher.

Potential opposition to the emerging dictatorship ran deep. The country had voted 44 percent in favor of the leftist Popular Unity in congressional elections just six months before the coup. Pinochet therefore, created a centralized secret po-

Gymnasts work out under the official's watchful eyes

lice apparatus called the Directorate of National Intelligence, or DINA in its Spanish acronym.

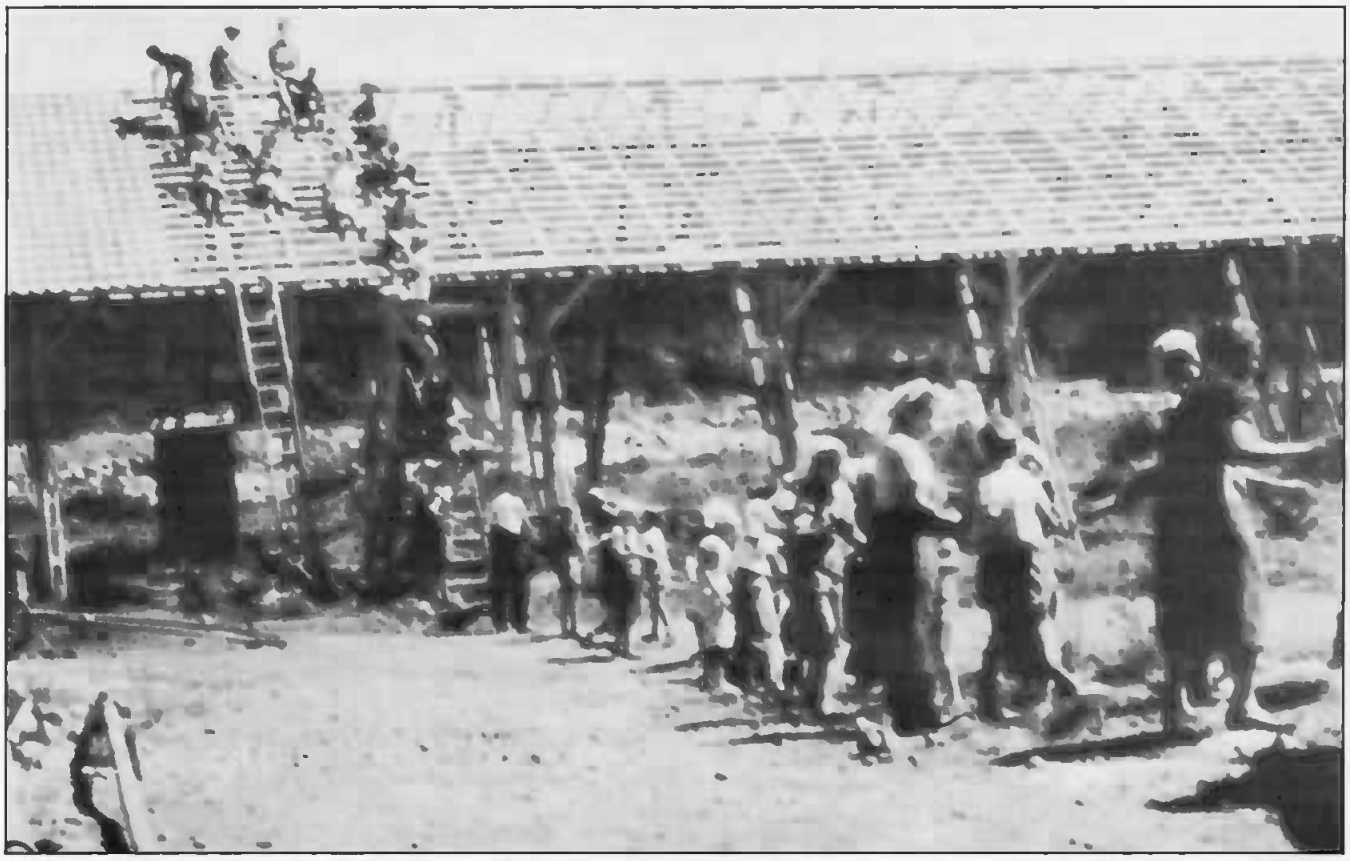
In December 1973, an Army private, Samuel Fuenzalida, a draftee from a Santiago lower middle class family, was ordered to report to a coastal engineering regiment at the seacoast town of Tejas Verdes, 60 miles from Santiago, for "obligatory rest on the beach." He found himself in a seaside training camp with 600 other soldiers who were to become the nucleus of the newly created DINA. The recruits were given three months of training in intelligence and repression techniques, including torture, Fuenzalida said.

Fuenzalida has been in exile in West Germany since 1977. He is the first former agent of DINA to talk in an on-the-record interview about his work. In addition to interviews with this reporter, Fuenzalida testifed in the Bonn court case involving Colonia Dignidad and to the United Nations Human Rights Commission. (The U.N. commission interviewers, according to sources close to them, considered Fuenzalida's claim to have served in DINA to be authenticated by his detailed inside information.)

Fuenzalida said that after his training he was assigned to a DINA interrogation center on London St. in Santiago and put to work surveilling suspected leftists. In mid-1975, he said, he was transferred to DINA's main interrogation center and clandestine prison in Santiago, located in a former nightclub called Villa Grimaldi, which was given the DINA code name Terra Nova (New Land). Fuenzalida, then 20 years old, worked as a guard and in "logistics"—transporting prisoners. He claims he never participated in torture or mistreated a prisoner. But he said he believed at first in what he was doing. "They (DINA) had indoctrinated me, convinced me that it was all right to kill communists. I started to doubt when I saw how they killed for the sake of killing—just like you kill a rabbit—that's how valueless a human being was to them," he said.

Inside DINA, he said, there was a "human rights problem": what to do with the prisoners who were killed or mutilated during torture. "DINA always tried to make it appear that nothing was happening. But some of the prisoners for example, had severed tendons after being hung up by their arms—after two days, what can you expect? And others had received injections of [sodium] pentothal and ended up idiots. They couldn't let them out in the streets. There were as good as dead."

Fuenzalida said his duties included keeping the so-called Guard Book, which registered the movements of prisoners. When prisoners were removed from a prison to be executed, the annotation "Moneda" or "Puerto Montt" was put in the Guard Book. The annotation, he said, was a signal for other record keepers to remove all reference to the prisoner so designated from the central files.



Construction proceeds slowly

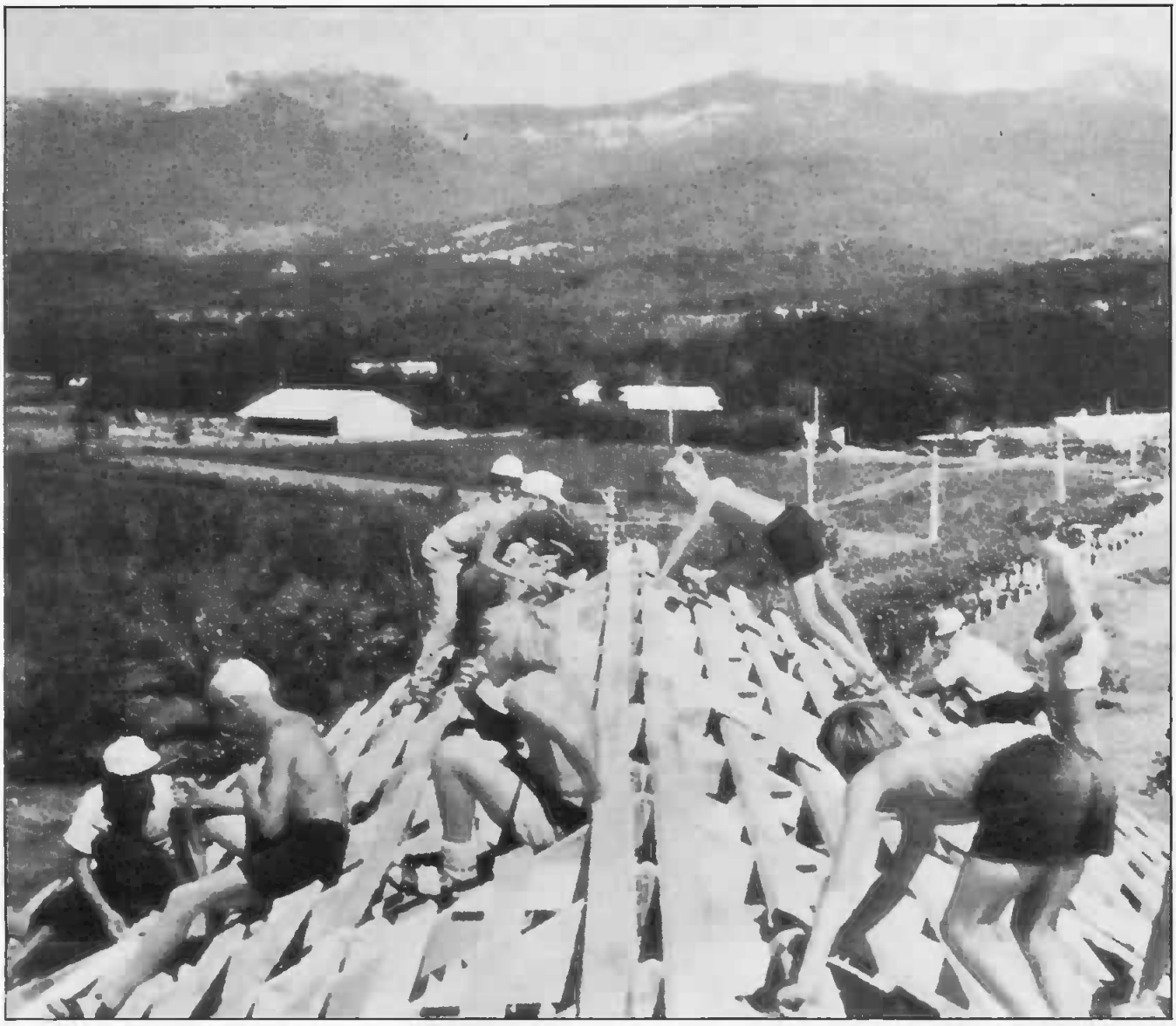
"There they trained me to interrogate people and carry out counter-intelligence tasks"

"Moneda"—meaning coin in Spanish and also the name of the presidential palace where president Allende was killed in the coup—indicated disposal at sea, Fuenzalida said. "They would take the prioners to Tejas Verdes, put them in sacks weighted with stones, take them out to the high sea [in a helicopter] and dump them out," Fuenzalida said.

Puerto Montt, the name of a fishing port in southern Chile, meant "death on land," Fuenzalida said, but at first he didn't know where or how. About twice a month, he said, an enclosed truck with the words Pesquera Acrauco (a fishery) picked up groups of prisoners from Villa Grimaldi, their destination often listed as Puerto Montt. He heard from other DINA personnel that the prisoners were taken "down south."

One day during the winter rainy season of 1974 (the Chilean winter is June–August), Fuenzalida said he was ordered to transport a DINA officer and prisoner "down south to the Germans." They picked up the prisoner at a nearby prison *Cuatro Alamos*, signing him out as destination "Puerto Montt." Fuenzalida said he recognized the prisoner as a leftist he had once been assigned to shadow. He knew him by his nickname, Loro Matias (Parrot Matthew), a leader of the movement of the Revolutionary Left (MIR).

"Loro Matias was in bad shape from the torture," Fuenzalida said. "One arm hung limp at his side, and he walked as if his feet had been broken."



Construction workers take a break

With Matias between them in the cab of a beige Chevrolet pickup, his eyes taped shut under dark glasses, they drove south on Chile's Panamerican highway to a place he identified as Colonia Dignidad. He said he had long known of the existence and location of the German colony from trips in his father's truck to buy vegetables in Parral.

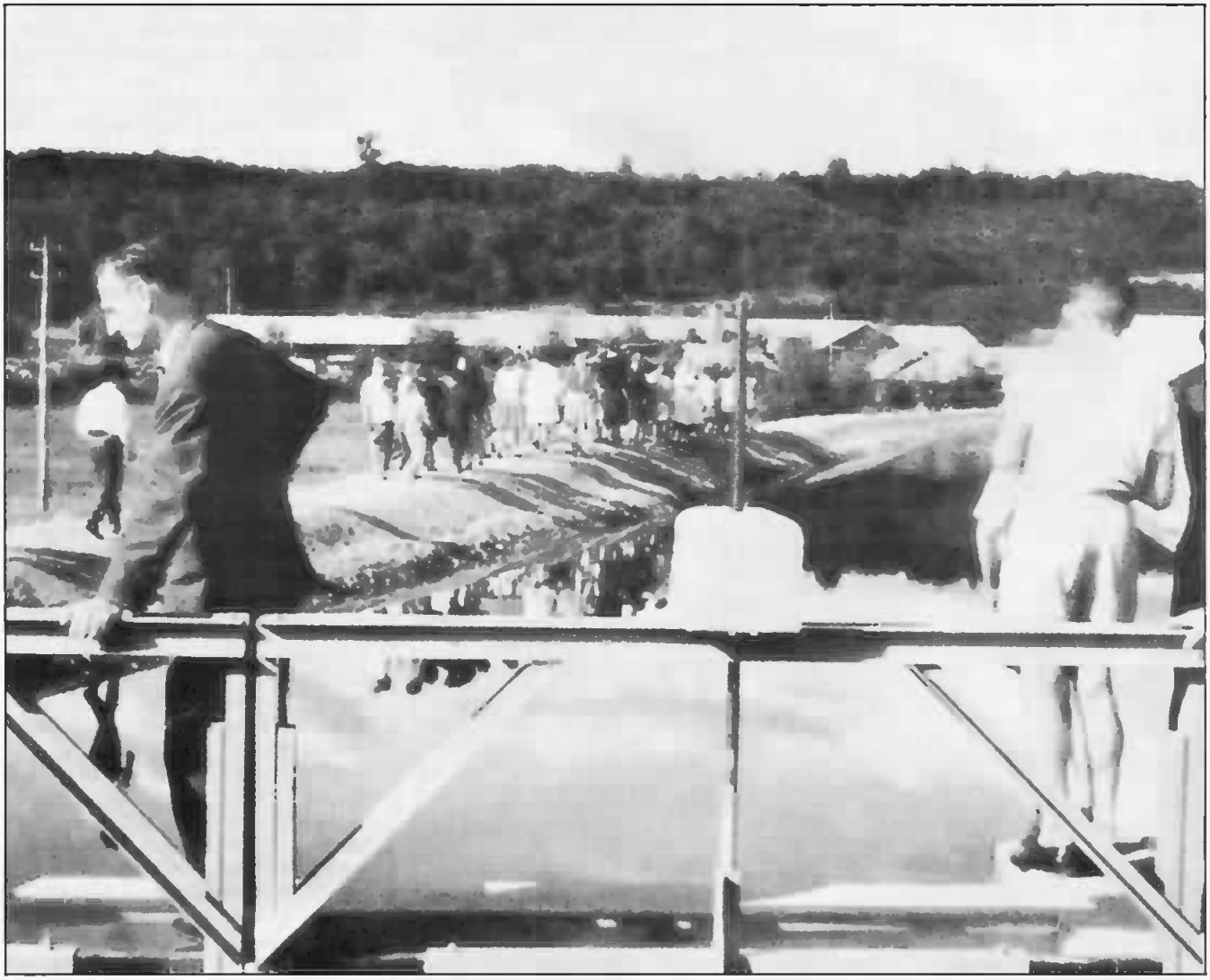
At the Colony, they turned Loro Matias over to several German-speaking men in a light blue Mercedes Benz. A few minutes later, the leader of the Germans, who was called the "Professor," or "Doctor," made a gesture on entering and said something Fuenzalida understood as "done"—meaning that the prisoner had been executed. The Professor was grey haired, medium height and wore a dark suit and tie, and Fuenzalida noticed that he had only one good eye, that the other was fixed and opaque. He kept a large Alsatian dog at his side everywhere he went, Fuenzalida said.

After that trip, Fuenzalida said he returned to Colonia Dignidad once more that winter and spent three days. He said he once asked one of the DINA agents living there what they did with the bodies of the prisoners, and was told "they dig holes with a bulldozer at the foot of the Andes and bury them."

Fuenzalida, in his appearance at the Bonn court, identified the "professor" as Paul Schaefer from photos of Schaefer. Chilean human rights records identified Loro Matias as Alvaro Vallejos Villagran, a student arrested in May 1974 and last seen by other prisoners inside Villa Grimaldi in lage July 1974.

A similar description of alleged DINA activites at Colonia Dignidad was given by an American intelligence officer whose duties included contacts with DINA officers in Santiago. He said the officers told him in 1978 that DINA had used Colonia Dignidad to dispose of prisoners by burying them in mass graves with chemicals to speed up decomposition. The officers, he said, claimed that the use of Colonia Dignidad was common knowledge inside DINA, but that they themselves had not taken part in any operations there.

Another purportedly "insider" account of Colonia Dignidad activity was given to this writer by a former Chilean right wing terrorist and DINA agent. The source said that in 1972 and 1973 he had participated in meetings between members of the neofascist Patria y Libertad (Fatherland and Liberty) and Colonia Dignidad leaders to plan the armed overthrow of the Allende government then in power. One of the meetings, in January 1973, was held at Colonia Dignidad and involved Patria y Libertad commando leader Roberto Theime, former Army Col. Alfredo Canales, who had been sacked by Allende for involvement in an earlier coup plot, and Federico Willoughby, who became the principal spokesman for the military government after the coup. The three Chileans, the source said, were hosted by a Colony leader introduced as "Doctor," who showed them weapons he could provide them, including 9mm semiautomatic



Officials cross a bridge on the way to Colonia Dignidad

rifles and a bazooka. The Chileans also met the German leader's chief aide, whose name, the source said, was Albert.

In a written report, obtained by the author, the former terrorist described Colonia Dignidad political activities: "Patria y Libertad had three contacts with Colonia Dignidad, which did not lead to any results because the leaders of the Colony, ex-Nazis, wanted to control our movement. In 1972, the first contacts were carried out by Pablo Rodriquez [PL's top leader] and Saturnino Lopez [another PL leader]. In 1973, Roberto Thieme made the contact. During the Popular Unity the activities of the Colony were fundamentally defensive (warding off land occupations by MIR). After the coup, the Colony went into repressive actions on a regional and national level. The latter was carried out through Pinochet's press secretary, Federico Willoughby."

In an interview, the source said the Colony's repressive actions consisted mainly of "assistance in the management of prisoners." He said he saw the "Doctor" again in late 1974 accompanied by Willoughby in the junta's government headquarters, the Diego Portales building.

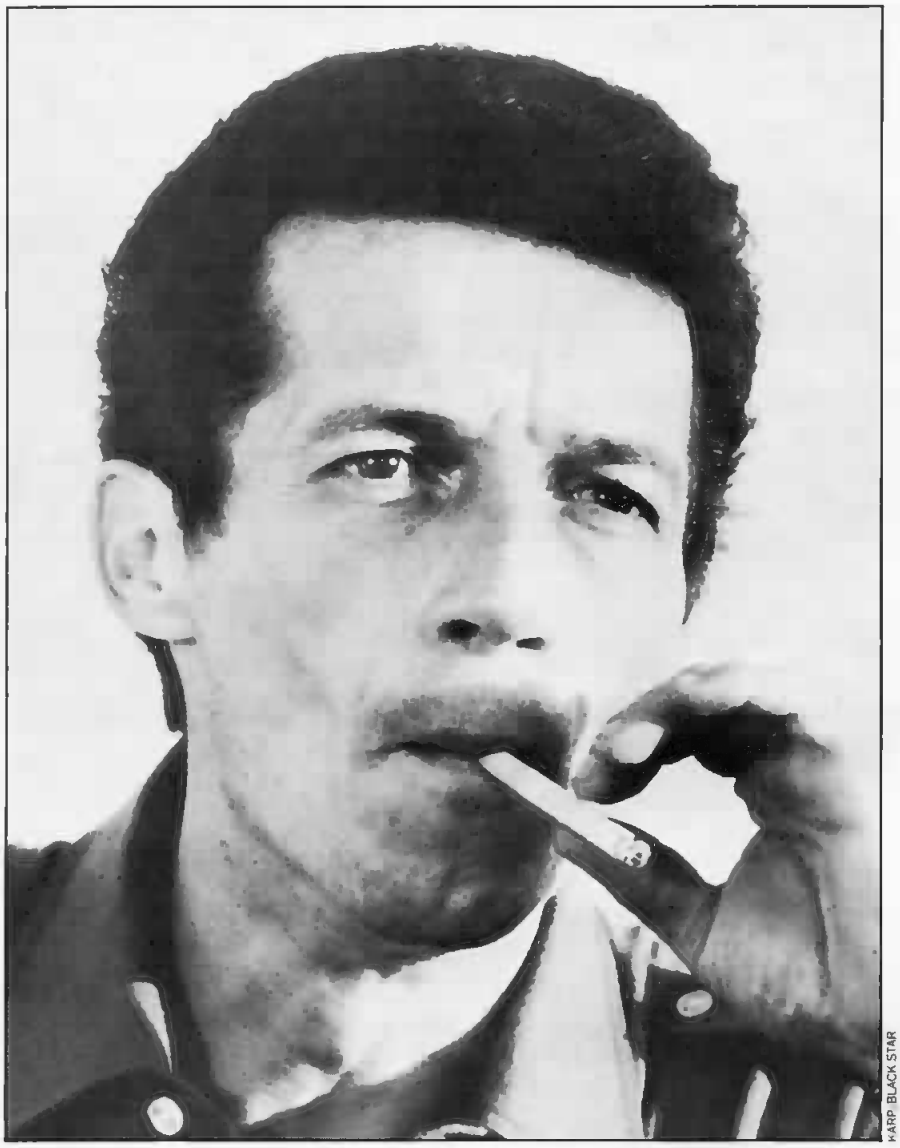
Still another purported insider account was provided by Juan Muñoz Alarcon, a former Socialist who worked as a DINA informer. In October 1977, Muñoz walked in off the street to the Catholic Church's Vicarate of Solidarity and told his story in a tape-recorded interview, a transcript of which was obtained and authenticated by Vicarate officials.

"They took me to Colonia Dignidad, (east of) Parral about 40 kilometers. There the National Intelligence had a training center directed by Germans . . . who have a veritable regiment in Colonia Dignidad, with a hospital, air ambulances and underground jails. There they trained me to interrogate people and carry out counter intelligence tasks. . . . Afterward I spent my time hunting down people, interrogating them, torturing them and killing," Muñoz said, according to the transcript.

A few days later, Muñoz was found dead in a field, his throat slit. Chilean homicide detectives—belonging to a service independent of and often antagonistic to DINA—interviewed Muñoz's former wife, who had seen him three days before he was killed. She said, according to the detectives' report, that in October 1973, her husband introduced her to two Germans whose names were Albert and Ingrid. They arranged for her and the couple's six children to go to the Colonia Dignidad to be with her husband who was working there.

Colonia Dignidad, in a brief to the Bonn Court in June 1980, confirmed that Muñoz and his family had stayed at the Colony. "Nurse Ingrid Bockler and . . . Albert Schreiber visited the Muñoz family at the suggestion of a third party for the purpose of learning about social conditions and to help if needed. For that reason, the Muñoz family was taken in at 'El Lavadero' (the Colonia Dignidad farm), where they were clothed and taken care of free of charge," the brief said. ■ *(to be continued)*

***John Dinges was a correspondent in Chile from 1972 to 1978. He is also the co-author of* Assassination on Embassy Row *and wrote the PBS special,* Chile By Reason or By Force.**



HARP, BLACK STAR

The wiry, highstrung little man resembles Eddie Fisher with elevator shoes.

Meet Mr. Death

The hit squads of Roberto d'Aubuisson remain essential to Reagan's Salvador policy

By Christopher Knowles

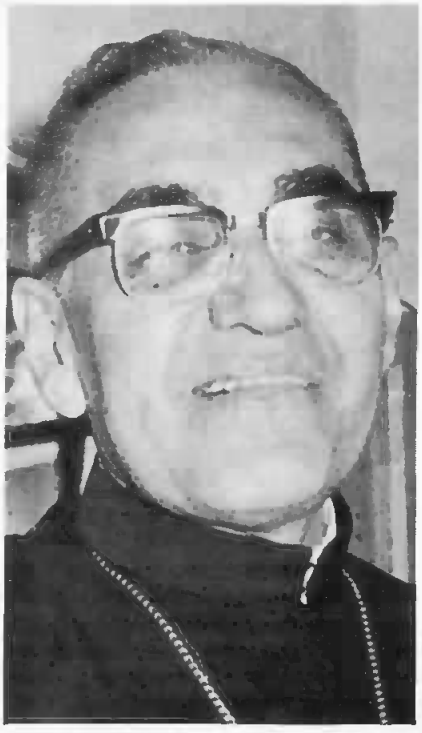
"It's a terrible injustice to the Government and the military [of El Salvador] when you suggest that they were somehow responsible for terrorism and assassination."
Jeane Kirkpatrick, the **New York Times**, *Dec. 7, 1980.*

On the evening of March 20, 1980 Roberto d'Aubuisson called an emergency meeting of his closest military colleagues at a private home in San Salvador. There was no doubt in his mind that bold actions were required to confront the crisis in El Salvador. In the few months since some young, reform-minded officers had engineered a coup against his boss, Gen. Carlos Humberto Romero, the situation had deteriorated dramatically. President Romero had fled to Guatemala and d'Aubuisson himself, a 38-year-old intelligence officer, had been cashiered along with 60 officers known for exceptional brutality, corruption or involvement with the death squads that were terrorizing the country. A major land reform had been declared which, to his mind, was just plain communist. The rich land owners and businessmen, many of them his personal friends, were abandoning the country in droves, taking their money to Guatemala City, Miami and San Francisco.

The church, a traditional ally of the army and the oligarchs, was irreparably split. Its most influential prelate, Archbishop Oscar Arnulfo Romero, was clearly siding with the reformers. Worse still, the reformers were threatening to split the army, the only traditional institution remaining intact. This was a grievous threat. And all present agreed that they must act quickly.

d'Aubuisson was one of the few retired officers of the 11 men present, among them key officers from the security forces: the Army, the National Guard, the Treasury Police, and the National Police. They were a close group, many of them from the same class at the military academy. The officers, all avowed anti-communists and ultra-conservatives, felt it was their duty to protect the fatherland and the army from subversives. They still recognized d'Aubuisson as their leader. But it was at the request of Col. Nicolas Carranza, right-hand man to Defense Minister Col. Jose Guillermo Garcia, the most powerful man in El Salvador, that D'Aubuisson's group was stepping up its frenetic schedule involving coups and terror.

d'Aubuisson distributed a list of more than a hundred names among his colleagues. The major had left his post with intelligence files on thousands of the government's "enemies"—politicians, academics, church people, union leaders—everyone who insisted on changing the archaic, corrupt system which worked so nicely for the 700-man officer corps.



AP-WIDE WORLD

Archbishop Romero was siding with reformers.

One name, Oscar Arnulfo Romero, dominated their discussion for the rest of the evening. In February, d'Aubuisson had dedicated part of his many televised speeches (an oligarch friend named Alfonso Salaverria had brought him a Betamax from Miami and paid for time to broadcast d'Aubuisson's threats on national TV) to an explicit denunciation of the archbishop's sermons. The warning was ignored. Archbishop Romero, a powerful and popular man, had just made a call to army conscripts not to participate in death squads. The officers saw it as a call to disobey orders. It left them no choice. He should be executed as a communist, as an example that all who challenge the army, whatever their position, would be punished as traitors.

d'Aubuisson brushed aside concern over international reaction. The only real consideration was the Americans and they would side with whoever could contain the communists. He gave into demands, however, that there be no kidnapping, no torture, no mutilation. It was an archbishop, after all, and not just a fucking peasant.

The assembled officers drew lots to see who would be assigned the patriotic task of assassination. Money, guns, cars, safe houses and men would be arranged by d'Aubuisson's secretary and right-hand man, Rafael Alvaro Saravia. Capt. Eduardo Ernesto Alfonso Avila, member of one of the most reactionary and powerful oligarch families and a buddy of d'Aubuisson from National Guard intelligence G2, won the assignment amidst a lot of joking and nervous hilarity. After Romero, the killing would all be so much easier.

Two days later, while Romero conducted a memorial service at the cancer hospital, a National Guard sharpshooter named Walter Antonio Alvarez walked into the chapel with a rifle and fired two shots, hitting the archbishop's face and chest, and fled with three other men in a waiting car. The assassination chilled Salvadorans to the bone. No one was safe anymore. There was nowhere to hide. To make the point perfectly clear, National Guardsmen were ordered to attack Romero's crowded funeral procession a few days later, killing another 26 people.

The assassination of Romero, which, of course, was never solved, marked the beginning of a killing spree by security forces not seen in El Salvador since the great Massacre of 1932 and, in modern Latin America, only paralleled in the dirty wars in Nicaragua, Argentina and Guatemala. The slaughter inspired terror and horror throughout El Salvador—precisely what its perpetrators had in mind. Supporters of reform and revolution hastened their move underground, but for many it was too late. They were on the lists. By the end of the year, death squads, many of them directed by this tight network of officers around Roberto d'Aubuisson, had butchered over 9,000 people, including

Romero was assassinated by a National Guard sharpshooter while conducting a service

Security forces attacked Romero's funeral procession killing 26 people

eight American citizens.

The Career of Roberto d'Aubuisson

In El Salvador, d'Aubuisson's covert organizations reveal how effectively the military operations interface with the political strategy of El Salvador's landowning/business community, long the real power in El Salvador. Thanks to the death squad networks, working in tandem with overt counter-insurgency and security operations, the Salvadoran government has managed to strangle the reform movement which briefly asserted itself in 1979 and 1980. Through murder and intimidation, the government has eliminated the possiblity of political dialogue with the opposition forces. In a classic example of the tail wagging the dog, it has also succeeded in forcing Washington to go for an all-out military solution to the struggle in El Salvador. More than any single factor except U.S. aid, the death squads have enabled the present government to retain power.

The wiry, highstrung little man, known to the U.S. Embassy as Major Bob, resembles Eddie Fisher with elevator shoes. He wears a bulletproof vest, and travels with a bevy of ubiquitous, edgy bodyguards. His career is a window into the world of the Salvadoran military and its system of death.

Roberto d'Aubuisson grew up in a "good" middle class family impoverished by his father's chronic alcoholism and early death. Too poor to educate Roberto, his mother arranged through a relative who worked in the National Guard for the young boy to be admitted to a National Guard school. The man who took him under his wing was none other than the infamous National Guard commander Gen. Jose Alberto "Chele" Medrano.

Medrano, now a raving alcoholic and drug addict, is the father of today's death squads. Closely tied to the landowners (he was their presidential candidate in 1972) and a wild-eyed anti-communist, Medrano formed ORDEN, a network of paramilitary militias, in 1968 designed to counter the growing unrest and attempts at union organizing among landless *campesinos*. Working with the security forces and U.S. intelligence assistance, this spy network attracted tens of thousands of campesinos with promises of steady work and access to credit. The militias policed the villages, terrorizing and often murdering peasants who stepped out of line.

Medrano arranged scholarships for 15-year-old d'Aubuisson to enter El Salvador's Military Academy, the training school for career officers. d'Aubuisson became a leader in his class, the class of 1963, a class which has recently come to power and noted for little more than its high proportion of rabid anti-communists.

Called *tandas* in El Salvador, these class teams are very important throughout the progression of the standard 30-year officer career. Those who emerge as leaders

KARP/BLACK STAR

National Guard commander General Jose Medrano (below) took Roberto under his wing

BLACK STAR

AP-WIDE WORLD

(L to R) Col. Casanova, head of the National Guard, Col. Lima, Col. Garcia, Minister of Defense, and Col. Castillo

of their *tandas* traditionally move up into positions of power and wealth in El Salvador, a country where army colonels perform the roles of senators and cabinet members. The *tandas* take on importance with seniority and form the more private and informal buddy system of allegiances and alliances upon which the death squad networks are based.

Specializing in intelligence operations, d'Aubuisson went to study at the U.S. Army Green Beret school and communications school in Panama and took intelligence courses at the now defunct International Police Academy in Washington and at a private police academy in New York. He was then assigned to the intelligence department of the National Guard, known as G2, a department with a dark history of brutality and corruption. He was directly accountable to Medrano who demanded that all his proteges call him "Papa."

d'Aubuisson soon established a reputation for his cruel interrogation techniques and acquired the habit of looting the homes of the people he arrested. He was encouraged to eliminate political agitators whose organizing would not be punishable by law and did so with enthusiasm. Soon Medrano was bragging about d'Aubuisson and two other proteges, as *mis tres asasinos*, "my three killers." The other two were Eduardo Ernesto Alfonso Avila, the man whose hits would eventually include Archbishop Romero and two American agrarian reform technicians, and Major Guillermo Antonio Roeder, who later got into trouble for using his death squads to kidnap oligarchs for ransom money.

In 1977 d'Aubuisson helped form the White Warriors Union (UGB), a group of death squads which took particular pleasure in terrorizing the Jesuit community working in El Salvador. It was during this period that Medrano organized *La Mano Blanca*, the White Hand death squads, drawing on men from G2 to begin eliminating opposition leaders and terrorizing their supporters. The name was borrowed from the notorious government death squads in neighboring Guatemala. d'Aubuisson's intelligence operations would become the vehicle for his political and military ambitions and the core of his death squad activities.

During the General Romero government powerful senior officers, including Col. Nicolas Carranza, an outspoken defender of fascism, took on Medrano's eager protege, deepening his respect for army unity and his hatred for progressive ideas. d'Aubuisson has never hidden his neo-Nazi tendencies. In a 1982 interview with some European correspondents d'Aubuisson accurately indicated his ideological orientation when he remarked: "You Germans are very intelligent. You realized that the Jews were responsible for the spread of communism and you began to kill them."

This intimate relationship with the senior officers and his intelligence training enabled d'Aubuisson to become director of the office of analysis within the special Presidential political police, the Salvadoran National Security Agency (ANSESAL), where he set about compiling the government's enemies dossiers and computerized lists including virtually anyone who called for change in El Salvador.

As El Salvador's gestapo, ANSESAL became the brains behind the death squads. It coordinated the flow of intelligence from the Special Investigation Departments of the National Guard, the Treasury Police and the National Police. The death squads from each DSI pick up targeted political opponents, interrogate them and eliminate them. The information is forwarded to ANSESAL, which oversees its analysis and suggests new victims. ANSESAL was technically disbanded in 1979 but coordination of intelligence and death squads continues to be directed out of the intelligence section of the Ministry of Defense.

When General Romero was overthrown by progressive army officers in October 1979, d'Aubuisson's refusal to hand over his death squad files and his reputation as a murderer were sufficient to have him cashiered. But d'Aubuisson's military severance was in name only. To this date, d'Aubuisson remains frenetically active in military affairs.

The surviving clique of senior hardline officers, including Defense Minister Jose Guillermo Garcia, his vice-minister Col. Nicolas Carranza and National Guard commander Col. Carlos Eugenio Vides Casanova, and National Police Chief Col. Carlos Reynaldo Lopez Nuila, assigned him a se-

Gen. Medrano formed militias among the campesinos who policed the villages, terrorizing and murdering peasants who step out of line

ries of tasks. Among them:

- to be the point man for the anti-communist officers in their campaign to rid the new government of the progressive officers led by Col. Adolfo Majano and the hated Christian Democrats, led by Jose Napoleon Duarte (whom they thought of as a communist who happened to believe in God);
- to organize the paramilitary squads and intelligence apparatus which would enable them to control the growing civilian unrest and rebel insurgency;
- and to coordinate the re-establishment of a political alliance representing the military and business interests that would reassert their supremacy on a national level.

New Roles for Major Bob

With the help of powerful friends at home and abroad, d'Aubuisson proved to be astonishingly competent and effective in all three. In May 1980, his coup plotting had become so brazen that Col. Majano was able to arrest d'Aubuisson while he was meeting with his group of conspirators. Surprised at a farmhouse near Santa Tecla, d'Aubuisson vainly attempted to eat an address book, a virtual Who's Who of the death squad network. A suitcase of documents, among them damning evidence regarding Archbishop Romero's assassination, was recovered and a dozen officers arrested.

The arrest provided the opportunity for a showdown within the junta, and d'Aubuisson's allies succeeded in forcing out Majano in the name of unity, a concern that had become an obsession in the officer corps. Three days after his arrest, Defense Minister Garcia personally released d'Aubuisson from prison and suggested he go to Guatemala to let things cool down. Before he left, several of the death squads were brought together under the banner of the Secret Anti-communist Army (ESA), a group which formed its own political party last December. Within a few months it was Majano who fled the country with death squads in hot pursuit. Getting rid of Jose Napoleon Duarte and the Christian Democrats, who had forced their way into the government with strong U.S. backing, took another 18 months.

During the '70s, wealthy oligarchs like Roberto Hill, a banker, the Regalado

AP/WIDE WORLD

President Duarte was hated by d'Aubuisson

Duenas family, the Salaverria family and others, created security teams for their personal protection and to control their farm workers, drawing on military personnel when possible. These teams quickly evolved into small-time death squads as the political battles intensified.

National Guard Commander Vides Casanova, knowing that d'Aubuisson had cultivated friendships among the young oligarchs, asked him to be the liaison between the oligarchs and the military, to incorporate the civilian operations into those controlled by the security forces. The security forces wanted a monopoly on killing. In exchange for greater protection, the oligarchs would continue to support the official death squads by providing intelligence, men, money, equipment and international contacts for them.

A Party for the Oligarchs

When d'Aubuisson took off for Guatemala, many observers, embassy officials and reporters alike, hoped his bloodletting, coup-plotting career was over. Oligarch friends like Orlando de Sola and Alfonso Salaverria, who were bankrolling his activities from Miami, felt the little major's career—and their futures—still had a long way to go. Combining d'Aubuisson's knowledge of psychological warfare and their sense of public relations, a media campaign was mounted to promote d'Aubuisson as a tough, political leader. d'Aubuisson's videotaped instructions for his supporters in the barracks soon expanded to become prime time television diatribes in which d'Aubuisson would accuse prominent people (Archbishop Romero was among the first) of being communist subversives. Their mutilated bodies would soon turn up along some

The Killer Elite
A Guide to the Inner Circle of El Salvador's Death Squads

• El Salvador's death squads are coordinated by the general staff of the army high command through the Ministry of Defense, which oversees the intelligence divisions of the Treasury Police, the National Guard, and the National Police. The man who is ultimately responsible for their activity is Defense Minister Gen. Carlos Eugenio Vides Casanova, the most powerful man in El Salvador. Col. Nicolas Carranza, now head of the Treasury Police, is one of Roberto d'Aubuisson's firmest supporters. Carranza, former Vice-Minister of Defense, recently replaced Col. Francisco Antonio Moran, who oversaw the modernization of the Treasury Police into one of the most efficient death machines, responsible for the murder of John Sullivan and thousands of Salvadorans. Major Jose Ricardo Pozo was head of Treasury Police intelligence until his notoriety as death squad coordinator caused him to be transferred as commander of the elite, U.S.-trained Ramon Belloso battalion, responsible for one civilian massacre after another.

• The National Guard Intelligence Department, G-2, is home of the White Warriors Union, death squads organized by d'Aubuisson and Col. Mario Denis Gomez Moran. Gen. Vides Casanova was National Guard Commander when the four American church women were executed in 1980 and responsible for the recruiting of a team of Argentine specialists in dirty counterinsurgency techniques in 1980–81. Moran was head of G-2 until his bodyguard was arrested for shooting two American agrarian reform technicians in 1981. Moran's second-in-command, Lt. Rodolfo Isidrio Lopez Sibrian, was the man who gave the orders in those murders, along with Capt. Eduardo Ernesto Alfonso Avila, who boasts of killing El Salvador's archbishop in 1980. They are all close friends or former classmates of Roberto d'Aubuisson at the Military Academy. After a stint as military attache in Chile, killer Moran is now sowing deaths as head of the regional command in Zacatecoluca.

• Col. Carlos Reynaldo Lopez Nuila, Chief of the National Police, protects the Secret Anti-communist Army (ESA) death squads operating out of his intelligence division. He is also a member of the government's Civil Rights Commission. Intelligence chief Lt. Col. Aristides Alfonso Marquez was his main killer until he became too well known and was transferred to a troop command. Marquez was replaced by Lt. Col. Rafael Antonio Lopez Davila, who keeps up the slaughter of political opponents. The ESA recently proposed a prisoner exchange with the FMLN in an attempt to get back Major Medina Garay, a National Police agent and death squad leader who was captured by the guerrillas.

• There are several Army commanders who use death squads as an integral part of their "pacification" programs in rural areas. Among them: Lt. Col. Jorge Adalberto Cruz Reyes, in the province of Morazan; Lt. Col. Roberto Mauricio Staben, in the province of Liberdad; and Lt. Col. Miguel Vasconsuelos, commander in Usulutan.

• The hierarchy of d'Aubuisson's ARENA party is a Who's Who of civilians involved in death squads. Two of his security chiefs—Hector Antonio Regalado, who is head of security for a very nervous Constituent Assembly, and former Col. Ramon Gonzalez Zuvillaga—are both zealous killers. Last year the U.S. Embassy in El Salvador advised U.S. Congressman George Miller (D.-California) to cancel a visit to El Salvador because of unspecified threats from Zuvillaga, d'Aubuisson's personal bodyguard. ■

dusty road. Skillful use of the media (which is owned entirely by the oligarchs) remains a hallmark of the death squads. The newspapers regularly publish their communiques. Last October, for example, television viewers were shocked when the midday news presented a videotaped statement by three union leaders who nervously admitted they were communists. It was followed by an announcement by the Maximiliano Hernandez Martinez Brigade that the men were sentenced to death for high treason. Their bodies and that of a woman doctor were later found in a parking lot.

Through his mentor, Chele Medrano, d'Aubuisson linked up with Chele's Guatemalan counterpart, Mario Sandoval Alarcon, another murderous politician who has built his own private army of deathsquads in the name of anti-communism. Sandoval, through his nephew, David Ernesto Panama, provided d'Aubuisson with millions of dollars as well as introductions to right-wing military groups in Argentina, Uruguay and Chile and the Somocista counter-revolutionaries organizing with CIA support. Connections with Taiwan, where d'Aubuisson had studied counter-insurgency strategies in 1978, were reestablished. d'Aubuisson trotted the globe gathering support and advice from other veteran anti-communist groups. Advisers from the Argentine security forces were hired and brought to El Salvador to train the cadre under the National Guard auspices for the new political-paramilitary organization. The political organization of oligarchs in the U.S., the El Salvador Freedom Foundation, organized two visits to the U.S. where d'Aubuisson met with ultra-conservatives in the political and intelligence circles, many of them very close to the Reagan Administration.

On the Rise Again

Thanks to d'Aubuisson, their star was rising again after a dismal year, and the oligarchs were soon in a position to reassert themselves in national life. In September 1981 d'Aubuisson sent one of his videos from Guatemala announcing the formation of a new political party, the New Republican Alliance, which he would lead in the March 1982 national elections. At first it was not taken seriously. But ARENA was to be the first real party of the oligarchy and had access to enormous resources. A publicity campaign directed by Francisco Avila, a cousin of Capt. Avila and representative of the McCann-Erickson P.R. firm based in New York, mounted a public relations blitz never seen before in El Salvador.

Overnight ARENA had all the trappings of a party of long standing, including an anthem with the refrain "Tremble, tremble communists, the people are arising." The paramilitary networks of the death squads and grassroot organizations like ORDEN gave it a national character and legitimacy to scores of known killers

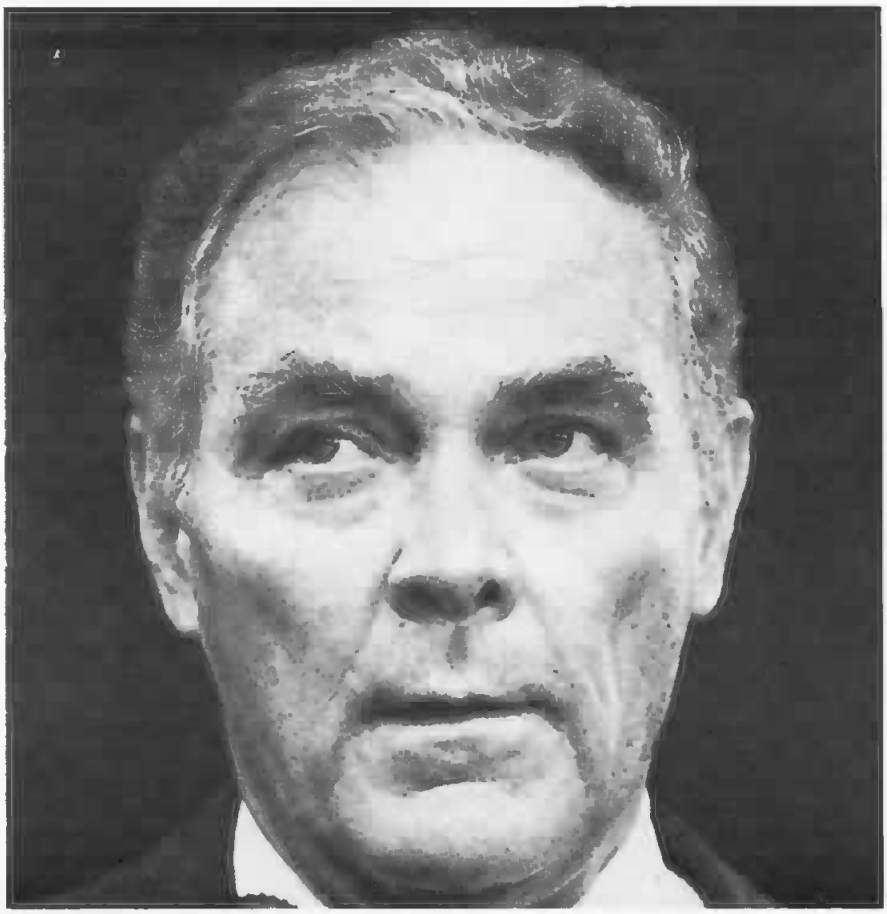
ARENA the ultra-right political party, puts its cheerleaders to work during a rally

across the country. d'Aubuisson and his wife Yolanda stumped the countryside in armored caravans, promising campesinos land, assuring them that, with his firm hand, the war would be over in three months. ARENA's large rallies in San Salvador were provided with all the security they wanted. This was, after all, the party of the death squads.

d'Aubuisson promised to annihilate the rebels and insisted that the only U.S. aid needed was large quantities of napalm. Holding up a watermelon at rallies he would denounce the Christian Democrats as communists, green on the outside and red on the inside, then slash the melons with a machete to demonstrate his point.

ARENA won 29 percent of the vote and together with other right-wing parties gained control of the Constituent Assem-

Kirkpatrick (above), and Haig (below), suggested the church women got what they deserved



bly. d'Aubuisson wanted more but contented himself being its President. For a few days, the death squad activity stopped. d'Aubuisson made his point; he could control the uncontrollable; the little major could deliver. Then they went after the Christian Democrats with a vengeance.

The elections did demonstrate a real base of support for d'Aubuisson, perhaps as there was support for the Nazi party in Germany in the 1930's. He is macho, he is honest, he is loyal, he stands up for what he believes in, and he has simple answers for every question. He is, whether it likes it or not, what the Reagan Administration is supporting in El Salvador.

The American Dilemma

With its hardline policy in El Salvador, the Reagan Administration has firmly wedged itself between a rock and a hard place. Having made the survival of the regime a question of national security, the administration finds itself committed to a partner whose very survival depends on death squads. Despite the administration's recent ultimatums regarding the death squads, no one expects Gen. Vides Casanova (he is now a general and Defense minister) to disband his death squads. Indeed, it has become clear during the last six months that, as the guerrillas increase their military advantage and army morale sinks, death squad activity has stepped up proportionately. Public support for a major escalation of U.S. involvement, especially the impending commitment of combat troops, diminishes with each new atrocity.

There is no doubt that U.S. officials are appalled by the death squad carnage. Yet there is also no doubt that they have known all along who are responsible for the death squads and did little or nothing about it. When the death squads slaughtered four American churchwomen at the end of 1980, the Carter Administration responded by cutting off military aid. The embargo lasted for less than three weeks, during which time another four Americans were assassinated.

The incoming Reagan Administration reversed the human rights policy and waged a concerted campaign to cover up government responsibility for the death squad activity. The reliance on the death squads was questioned only to the extent that the Salvadoran Army shunned conventional counter-insurgency operations recommended by U.S. advisers or when Congress challenged the cynical assertions that human rights situation was steadily improving.

The Reagan Administration shifted public attention away from the rampaging death squads and refocused it on the issue of gunrunning from Nicaragua. Insult was added to injury when Jeane Kirkpatrick, soon to be Reagan's ambassador to the United Nations, and Secretary of State Alexander Haig, parroting the allegations made by d'Aubuisson's defenders, suggested that the four churchwomen who

"Salvadorans should be allowed to fight the way we know best: without death squads, the communists would be marching on us in no time "

had been kidnapped, beaten, and raped by a National Guard death squad only got what they deserved.

Public and congressional outrage put great pressure on the administration to see justice done at least in the murder of the Americans. Christian Democrat Jose Napoleon Duarte took advantage of the crisis, emboldened by U.S. support and the fact that d'Aubuisson was exiled in Guatemala. The military junta reluctantly made him president to improve its image. As much for his own protection as anyone else's, Duarte demanded the transfer of some top deathsquad leaders out of key positions. First on his list was the Col. Nicolas Carranza, the Defense Minister's top aide and d'Aubuisson's boss. After he became president of the Constituent Assembly, d'Aubuisson would lead a campaign to make him Defense Minister.

To placate the American public, Vides Casanova, then National Guard commander, was forced to agree to the arrests of the six low-level members of the death squad that had murdered the church women. In exchange, Duarte did not challenge his position and agreed to a cover up of the high level decision to murder the churchwomen. This decision, and certainly the coverup, involved Col. Garcia, Col. Vides Casanova, Treasury Police Chief Col. Francisco Moran, and the army commander of Chalatenango province where two of the women, Ita Ford and Maura Clarke, lived. The two men in the deathsquad who could name higher-ups subsequently disappeared and are believed murdered.

In another case, the U.S. demanded the arrest of the seven men directly involved in the murders of Pearlman, Hammer, and Viera at the Sheraton Hotel. Of the seven, five were released for lack of evidence which in El Salvador is a face-saving term for "failure of nerve."

If Reagan finds himself between a rock and a hard place, Roberto d'Aubuisson is the rock. d'Aubuisson's strength comes from being perfectly clear about where he stands and from the financial support he receives from the Salvadoran business community. His emergence as the most powerful civilian in Salvador and his shocking candor have made him a public relations nightmare for Reagan. Commenting on d'Aubuisson's election victory in the much-touted March, 1982 elections, Ambassador Deane Hinton indicated how accommodating the Reagan Administration was willing to be. "We must not prejudge him," Hinton told reporters. "He denied the rough stuff. He should be judged by his actions and performances and not by his past . . . Anyone who believes in the democratic process should give him the benefit of the doubt . . ."

Now that d'Aubuisson threatens to become El Salvador's president, the administration is trying to block his candidacy to avoid further embarrassment. Any way one looks at it, the administration stands to lose: If it goes ahead with the March elections, d'Aubuisson stands a good chance of winning. No one wants an assassin for president but, as the embassy officials like to say, "It's better to have him pissing out than pissing in." If they cross d'Aubuisson, he will either push for a coup or disrupt the March elections. The Reagan Administration has promised the regime a lot more aid if it gets rid of d'Aubuisson and asks some of the other deathsquad leaders to leave the country. As far as Vides Casanova is concerned this is a marked improvement in attitude. Before the U.S. threatened to cut off aid if things weren't cleaned up a bit. d'Aubuisson is once again calling their bluff, and his message is one Reagan takes seriously: without our death squads, the FMLN would be marching on San Salvador in no time. If the U.S. is willing to send in the Marines to fight, fine. Otherwise we Salvadorans should be allowed to fight the war the way we know best. We are, after all, fighting this war for America. As long as I am alive, d'Aubuisson swears, there will be no negotiations for a political settlement. And this little man tends to get his way. ■

The Terror Hits Home: a Reconstruction from Treasury Police Agents' Testimony

Tall, bearded, and handsome, John Sullivan looked very spiffy with his designer jeans and Frye boots when he stepped off the plane at El Salvador's International Airport on Dec. 28, 1980. He had no reason to be apprehensive but he felt the anxiety of every newcomer to El Salvador. He couldn't have known it, but the 26-year-old freelance reporter from Bogota, New Jersey, on assignment for HUSTLER magazine, also looked a lot like a well-known Belgian priest who was on all the security forces' hitlists. One of the security spooks at the airport suspected he had spotted Roger Ponseele, the fugitive priest, slipping into the country with a false passport.

Roger Ponseele, a nine-year resident of El Salvador, had last appeared publicly less than a month before when he performed a funeral mass for the six leaders of the FDR opposition front. They had been kidnapped from a rally, tortured, and murdered by a National Guard death squad in late November. After the funeral, Ponseele went underground to join the FDR opposition, narrowly escaping the death squad assigned to murder him. Frustrated, the killers dynamited his house instead.

As local address on his disembarkation card, Sullivan filled in the Sheraton Hotel. He went through customs and climbed into a taxi for the ride to San Salvador 20 miles away. Security agents on lookout called the Sheraton, a known hangout for death-squad personnel, and warned hotel security that Ponseele was headed their way. Similar airport lookouts had set up the kidnapping and murder of four American churchwomen only three weeks before.

Sullivan arrived, checked in, went to his room and shortly afterwards, as he left the hotel, waiting Treasury Police agents hustled him into their car, convinced they had caught Ponseele. The nightmare began.

They drove him directly to the Treasury Police barracks despite Sullivan's bewildered protests. Sullivan spoke little Spanish and the sargeant in charge of the death squad decided to record the interrogation session. Sullivan declared he was an American journalist; the treasury police said he had a fake passport and was a communist priest. Beatings, electric shocks, even popping out one of his eyes could not get him to confess. Colonel Francisco Moran, chief of the Treasury Police, witnessed part of the interrogation and realized they had the wrong man. It was too late to let Sullivan go, so Moran ordered that he be executed and his body destroyed to prevent identification. His corpse was dumped on a country road outside of San Salvador. Treasury police agents tied dynamite to his head and detonated it. When the people from the nearby village came the next day, the top part of his body had been blown away, pieces of it hung in the branches of nearby trees; a hand was lying in the dust down the road.

The death of John Sullivan was a tragic mistake. But as with the intentional cold-blooded murders of seven other Americans in that fateful period at the end of 1980, his family would never see his killers punished. After more than two years of tracking down leads, his family finally recovered his body. The U.S. embassy in San Salvador still claims it doesn't have a clue as to who killed the young journalist.

PART II

Paul Laxalt's Debt to the Mafia

The chief fundraiser of the Republican Party has excellent connections to America's largest business—organized crime

By Murray Waas

Sen. Paul Laxalt (R-Nevada) is one of the most powerful men in America. As a U.S. senator, close friend and personal confidant of President Reagan, the chairman of the President's campaign finance committee, and chairman of the Republican National Committee, his power and influence in Washington is formidable.

In the first installment of our two-part investigative profile of Laxalt, reporter Murray Waas revealed that Laxalt had engaged in close business and personal relationships with some of the nation's most powerful organized crime figures. One such individual was Sidney Korshak, identified by federal law enforcement officials as one of the four or five most powerful figures in American organized crime. In 1976, the New York Times *reported: "On the basis of their files on Korshak, federal (law enforcement) officials contend he has been involved in such activities as bribery, kickbacks, extortion, fraud, and labor racketeering."*

Our investigation found that Korshak intervened on Laxalt's behalf to obtain a $950,000 unsecured loan from a Chicago bank for a casino that Laxalt owned, the Ormsby House. At the time Korshak helped Laxalt obtain the loan, the casino venture was having serious financial difficulties and was in danger of going out of business.

Another close associate of Sen. Laxalt over the last two decades has been Nevada businessman Delbert Coleman. In 1968, Coleman, along with Sidney Korshak, purchased a controlling interest in the Parvin-Dohrmann Corporation. At the time, Parvin-Dohrmann owned two Las Vegas casinos, the Aladdin and the Fremont. Within a year, the corporation purchased the Stardust Casino from organized crime figure Moe Dalitz. According to records at the Securities and Exchange Commission (SEC), Sidney Korshak was paid a $500,000 "finder's fee" for arranging the sale of the Stardust Casino to Coleman and Parvin-Dohrmann.

Despite the fact that Coleman has had close ties with a number of powerful organized crime figures, he has become a close friend and business associate of Paul Laxalt. In addition to his partnership with Korshak, Coleman also hired as manager of the Stardust Casino Frank (Lefty) Rosenthal, who has been identified by federal law enforcement officials as one-time overseer of the Chicago mob's interest in Las Vegas.

In 1969, the SEC sued Coleman, Korshak, and 15 other Parvin-Dohrmann officials for stock fraud, related to a scheme in which they artificially and illegally inflated the price of Parvin-Dohrmann's stock.

Paul Laxalt, then Governor of Nevada, attempted to intercede with SEC officials to halt the investigation of Coleman and Korshak. Later, Laxalt received, as a private attorney, a $100,000-a-year retainer from Coleman.

Our second installment begins as Nevada state gaming officials order Coleman, Korshak, and Parvin-Dohrmann to sell their interest in Aladdin, Stardust, and Fremont to rid the casinos of their owners who had been tainted by organized crime connections. But as we shall see, the casinos were sold to other interests controlled by organized crime figures. When those connections were exposed, the casinos were again sold—this time to other individuals fronting for those same organized crime interests. In fact, the history of the casinos has been that they have been continually sold from one mob owner to the next.

But this is not just a story of how the mob has consistently controlled Las Vegas' largest casinos. This is also a story of how mobsters who secretly control those casinos and the casino operators that serve as front-men for the mob have engaged in close personal and business relationships with Nevada's most powerful politician—Sen. Paul Laxalt.

Nevada businessman Delbert Coleman

After settlement of the SEC lawsuit, Delbert Coleman changed the name of Parvin-Dohrmann to the Recrion Corporation. And with the loss of a gambling license and a court order requiring him to divest his interest in the company, Coleman began selling off the three casinos.

In November 1971 Coleman and the newly formed Recrion Corporation sold the Aladdin to a number of investors from Las Vegas and Detroit. A couple of years later, a federal investigation would find that the investors and men running the casino were being used as a legitimate front for the Detroit mob family, who were secretly the new owners. The real man in charge of the casino, the FBI would charge in an affidavit filed in federal court, was Vito (Billy) Giacalone, an enforcer for the Detroit mob family. In March 1979 the Nevada Gaming Commission ordered the Aladdin to be sold after the casino and four of its top officers and executives were indicted by a federal jury for their role in the hidden mob ownership of the casino. Almost immediately, Delbert Coleman and Edward Torres, a business associate of Coleman's and a co-defendant in the SEC's Parvin-Dohrmann stock fraud lawsuit, announced their plans to buy the casino. Serving as their attorney was Sidney Korshak.

Torres, like Coleman and Korshak, had a long and dubious record with law enforcement agencies. In 1964, in testimony before a Senate committee, Torres was identified as a racketeer and a business partner of Bobby Baker, the former Senate aide who would serve a lengthy prison sentence for influence-buying activities on Capitol Hill. In 1967, as manager of the Fremont casino, which was then owned by Parvin-Dohrmann, he was indicted by a federal grand jury for his alleged role in a skimming operation at the casino. The charges were later dropped after it was determined that the FBI obtained some of

Sen. Paul Laxalt is the Republican Party's chief fundraiser but has Mafia connections

LPI

Sidney Korshak arranged a loan for Sen. Laxalt to refinance the Ormsby House casino

AP/WIDE WORLD

its evidence from illegal wiretaps. In 1969, Torres was also charged, along with Korshak and Coleman, as being one of those involved in the massive Parvin-Dohrmann stock fraud. The SEC charged that Torres made an illegal $9.13 million from the scheme.

But what federal investigators found even more disturbing about Torres' involvement with Korshak and Coleman in the Aladdin deal was that during a routine surveillance of Mafia chieftain Meyer Lansky in a small Ohio town in the late 1960's, Torres was observed meeting with him. At the time, Torres was manager of the Fremont, and investigators had evidence that he met Lansky to discuss a skimming operation at the casino.

While Coleman and Torres were attempting to buy the Aladdin, they purchased a faltering refrigeration and air-conditioning company, Therm Air Inc., located in the small town of York, Pennsylvania. For the almost 200 employees of the firm, which was then in serious financial trouble and laying off workers, the fact that the company now had new owners gave them something to be hopeful about.

Records at the Securities and Exchange Commission, however, show that the only reason the two men bought the firm was so they could later use it as a "corporate shell" to buy the Aladdin. Says the SEC file: "In August, 1979, a subsidiary of Therm Air entered into a contract to acquire the Aladdin hotel in Las Vegas. In December, 1979, the application by the subsidiary was turned down by authorities in the state of Nevada. Monies were loaned by the principal stockholder Coleman and other parties of the subsidiary, which funds were put into escrow. After the application was rejected, returnable deposits and monies in escrow were repaid to its investors."

When their attempt to buy the Aladdin was unsuccessful, Coleman and Torres, no longer in need of Therm Air, simply put the company out of business, forcing its workers onto the unemployment line. Continues the SEC file: "On March 7, 1980, the company totally discontinued its business operations, discharging its employees, settling its claims with creditors, and negotiating with third parties which had entered into manufacturing agreements with the registrant."

Nevada authorities had turned down Coleman's and Torres' bid for the Aladdin for a number of good reasons: There were the violations of securities laws by Coleman and Torres in the Parvin-Dohrmann matter; Korshak's and Torres' mob connections; and the fact that the mob-dominated Teamsters Union Central States Pension Fund was financing the deal.

Law enforcement officials had watched as the Aladdin was first owned by the Sidney Korshak-mob connected Parvin-Dohrmann Corporation, then as it was sold to a group of investors secretly represent-

ing the Detroit mob family. With Torres, Coleman and Korshak attempting to buy the Aladdin for a second time, investigators suspected Mafia involvement again. When Nevada authorities ruled that they would not allow the Aladdin to be sold to Torres and Coleman, says one Justice Department official, "We slept a hell of a lot better that night."

The contentment was short-lived. Eventually, the Nevada Gaming Commission approved the sale of the Aladdin to singer Wayne Newton and a business partner—Edward Torres.

"The decision, on the face of it at least, doesn't make a whole lot of sense," says the same Justice Department official. "With Torres and Coleman, you had two guys accused of stock fraud and in tight with the mob trying to buy the Aladdin. I guess, by letting one of those guys [Torres] own the casino with a singer [Wayne Newton] was somehow supposed to be safer."

With the Aladdin now partly in the hands of Edward Torres again, some federal law enforcement officials found themselves shaking their heads in wonderment. Says one: "With Torres involved, you have to wonder whether the casino was 'kept in the family.' In other words, was the Mafia allowed to continue to play a role in its operations?"

But such a sequence of events in the history of a Las Vegas casino is not all that uncommon. When Delbert Coleman and Parvin-Dohrmann (which had by now changed its name to the Recrion Corporation because of the negative publicity from the SEC suit) would sell their two other casinos, the Stardust and Fremont, they too would be "kept in the family."

In April 1974 Coleman and the newly formed Recrion Corporation sold the Stardust and Fremont casinos to Allen Glick, a San Diego real estate broker, and his Argent Corporation. Only 31 at the time, Glick, a short, balding, ex-Marine, already owned another Nevada casino, the Hacienda. With the Stardust, Fremont, and Hacienda now in his possession, Glick was, with the possible exception of Howard Hughes, the largest casino tycoon in Las Vegas history.

"Allen Glick is a young man who took Horace Greeley seriously," exclaimed the *Las Vegas Sun*, "but once he went West, he decided to buy it."

With no criminal background and no known ties to organized crime, Glick was seen as a godsend to Nevada by gaming authorities. But federal law enforcement officials were wary of the young man who seemed to be an overnight millionaire out of the blue. What fueled their suspicions was that Glick obtained the casinos from the Recrion Corporation after obtaining a $62.7 million loan from the mob-dominated Teamsters Union Central States Pension Fund. One law enforcement official says the pension fund was "nothing more than the mob's own private bank" at the time and that the man who controlled it was Allen Dorfman, a convicted felon who took his orders from Chicago mob bosses.

Also adding to the suspicions of federal officials was the fact that Glick's Argent Corporation paid a $421,000 finder's fee for the fund loan to Todd Derlachter, a small-time criminal with mob connections. Federal authorities would later learn that Derlachter passed the $421,000 to Morris Shenker, a Las Vegas casino owner with mob connections. Shenker had wanted to obtain the $62.7 million loan from the Central States Pension Fund and buy the Fremont and Stardust, but the mob bosses who controlled the fund nixed the idea because of recent publicity about Shenker's mob connections. Instead, they decided to use a new frontman, Allen Glick—and the $421,000 payment, say federal sources, was used to placate Shenker.

AP-WIDE WORLD

Allen Glick was a suspected Mafia frontman

"I have this dream," a lawyer involved in a civil suit against Glick told writer Steve Brill for his book *The Teamsters*, "that the mob looks at high school yearbooks and picks a hundred guys who look smart and clean like Allen. Then, over a year or two, they narrow it down to 10 people, then two, and finally they select one guy out of college or law school and approach him and say, 'You're it. We're gonna set you up in business and you'll get a nice cut and give the rest to us.' Well, that's what I think happened with Allen."

The FBI would confirm in a court affidavit, filed in federal court a couple of years later, that the attorney's "dream" was not that far from reality. The affidavit charged that Glick, in his ownership of the Fremont and Stardust, was serving as a frontman for Chicago and Kansas City mob interests. The real man in charge of running the casinos, the affidavit said, was Anthony (Tony) Spilotro, a mob hitman who oversaw the Chicago mob family's casino interests in Las Vegas. Spilotro was also a close friend and business associate of Allen Dorfman, then the man in charge of the mob-dominated Central States Pension Fund, which made the $62.7 million in loans to Glick to buy the Stardust and Fremont.

With Anthony Spilotro making most of the high-level corporate decisions at Argent, Frank (Lefty) Rosenthal was hired as chairman of Argent's executive committee. As mentioned earlier, Rosenthal previously worked for Delbert Coleman's Parvin-Dohrmann Corporation and oversaw mob skimming operations in Las Vegas. Federal authorities would later discover that Rosenthal was directing a $7 million-a-year mob-controlled skimming operation at the Stardust and Fremont. But in the meantime, Allen Glick lived in high style. The man who later was discovered to be a mob frontman appeared to be at the time only a modern-day Horatio Alger. He worked in his private luxurious penthouse office atop the Stardust casino. He commuted every day from his home in La Jolla, California, by his own private plane. Driving to the airport, Glick would use one of his two cars, the Mercedes or the Lamborghini.

In 1974, a *Los Angeles Times* gossip columnist also made note of the fact that Glick completely refurbished and renovated his new home:

"If you ask us we'd say that Mr. and Mrs. Allen R. Glick's new home in La Jolla has been royally housewarmed. . . . The Glicks (he's involved with the Stardust in Las Vegas, among other things) completely redid the 40-year-old house. . . . It now has tennis courts, a pool, a sauna, cabanas, fountains, gazebos, separate guests' and servants' quarters—and other amenities. They really should be terribly comfy there. . . . For the housewarming party they invited some 400 guests, including nearby neighbors, friends from Las Vegas, and Mrs. Glick's hairdresser Felipe. . . . And the Glick children in Little Lord Fauntleroy suits helped their parents receive guests before retiring to their second-floor quarters, where they hosted a kiddies' party of their own."

Glick was able to maintain the appearance of a successful businessman and wealthy socialite for only a short time after that party. Soon the picture of the real Allen Glick began to emerge.

In September 1974 dissident stockholders from Delbert Coleman's Recrion Corporation filed a lawsuit in federal court in Chicago charging fraud by Coleman, the Recrion Corporation, Glick, Argent, and the First National Bank of Chicago (the same bank that made the $950,000 loan to Sen. Laxalt) for their roles in the sale of the Fremont and Stardust. The lawsuit would be quietly settled out of court by Coleman and Glick. But by that time, the Securities and Exchange Commission had

RALPH NICHOLS

The Ormsby House casino

begun its own investigation.

The SEC would later charge, in the first of three civil suits it would file against Glick and Argent, that he was systematically looting his own company. In November 1977 the SEC charged in documents filed in federal court that shortly after Glick obtained the $62.7 million Teamsters Central States Pension Fund loan, he illegally diverted some $317,500 of the money to his personal checking account. Then, the SEC charged, Glick wrote checks to himself and "cashed each check and applied the proceeds to his personal use for such purposes as remodeling his home, paying off personal indebtedness, and for living expenses."

The SEC also charged that Glick and Argent made illegal payments to Tamara Rand, the 51-year-old wife of a wealthy San Diego gynecologist. Rand had previously fallen victim to one of Glick's business frauds and had been one of the first people to urge the SEC to investigate. On Nov. 9, 1975 Rand was shot to death in her San Diego home in what appeared to be a gangland slaying. Federal authorities have since learned from a number of credible informants that one of the two men who carried out the hit was Tony Spilotro, Allen Glick's "silent partner."

In 1979 Nevada gaming authorities uncovered a $7-million-a-year skimming operation at the Stardust and the Fremont. Proceeds from the operation were funneled back to members of mob families in Chicago, Kansas City and New York.

The man in charge of the skimming operation was Lefty Rosenthal. Handling the technical side of the operation was a man named Jay Vandermark, who had developed a method to rig casino scales to underweigh coins taken in from slot machines. When Jay Vandermark learned of a federal investigation of the skimming operation, he fled to Mazatlan, Mexico, where he lived under an assumed name. Federal investigators later sent his son Jeffrey to Mexico with an offer of immunity if he agreed to be a government witness. Vandermark accepted the offer, but shortly after he returned, Jeffrey was murdered gangland-style. The elder Vandermark once again fled the country, this time to Costa Rica, where he too was murdered by a mob hitman.

With Vandermark dead, both Lefty Rosenthal and Allen Glick were able to escape federal prosecution. Like Sidney Korshak and Robert Heymann before him, Allen Glick would not spend a day in jail. In fact, when the Nevada Gaming Commission ordered Glick to sell his casinos, he would make more than $70 million from the deal.

Nevada authorities had ordered Glick to sell the Stardust and Fremont to end the mob domination of the casinos. But an FBI wiretap of a conversation between two high-level Kansas City mobsters, a copy of which was obtained by this reporter, shows how the mobsters wanted to keep the casino "within the family." The conversation, on June 2, 1978, was between James "Corky" Civella, brother of Kansas City mob boss Nicholas Civella, and Carl Angelo DeLuna, a member of the Kansas City mob family. The two men were overheard on the wiretap saying that mob higher-ups had given Glick orders to sell the Stardust and Fremont to a group of investors headed by Jay Brown, a Las Vegas attorney. Brown is a partner in a Las Vegas law firm with Oscar Goodman, a lawyer who has counted among his clients Allen Glick, Kansas City mob boss Nick Civella, and Lefty Rosenthal.

According to a transcript of the telephone conversation, DeLuna told Civella: "Genius [a nickname the mobsters had given to Glick] was looking at Jay Brown. He said Genius is all for this deal. He wants it to go through. He wants to make a public announcement, right, which, these were my words to him, do what you gotta do boy. Make your public announcement that you are getting out for whatever the fuck the reason you want to pick and get out. I put that in his head. Make a news conference."

Less than a week after that conversation, Las Vegas newspapers reported that Glick was going to soon sell his casinos to a group of investors headed by Jay Brown. But eventually plans to sell the Fremont

and Stardust to Brown fell through and the casinos were sold to businessmen Allen D. Sachs and Herbert Tobman. The Nevada Gaming Commission approved the sale to Sachs over the unanimous objections of its own enforcement arm, the Gaming Control Board, which revealed that Sachs had longstanding relationships with a number of Chicago organized crime figures.

In 1982 the FBI charged in an affidavit filed in federal court that Sachs and Tobman were "figureheads for the Chicago La Cosa Nostra and responsible for providing skim monies to the mob from their casinos." Just recently, the Nevada gaming agents seized control of the Stardust Hotel after charging that Sachs and Tobman had permitted a major skimming operation to take place at the casino for over two years. The Nevada Gaming Commission, which alleged in its complaint that more than $1.5 million in profits had been skimmed, suspended the licenses of the Stardust Hotel, Sachs and Tobman, using special emergency powers granted the commission under a 1979 statute.

Some federal law enforcement authorities were privately appalled when Nevada gaming authorities allowed the sale of the Fremont and Stardust to Sachs, a man with Mafia connections. Like the Aladdin, the two casinos had a long history of being "kept in the family." First, they were owned by organized crime figure Moe Dalitz, who financed the construction of the two casinos through loans from the mob-dominated Central States Pension Fund. Then the casinos were sold to Delbert Coleman, Sidney Korshak and the mob-connected Parvin-Dohrmann Corporation. When Coleman was forced to sell the casinos, they ended up in the hands of Allen Glick, a mob frontman, who allowed millions of dollars to be skimmed from them. And when Glick was exposed, the Stardust and Fremont were almost sold to Jay Brown, who FBI wiretaps suggested was also going to allow the mob to continue having an interest in the casinos. Finally, the casinos were sold to Allen Sachs, a man with connections to Chicago mob figures.

"What we seem to be doing," says one high-level law enforcement official, "is allowing the Mafia to play musical chairs with the ownership of our casinos."

As the most powerful man in Nevada politics for the last several years, Paul Laxalt could have been a viable force and outspoken critic in driving organized crime from Las Vegas casinos. Instead, he has been a critic of federal investigators who have fought organized crime activities. In March 1981, for example, Laxalt charged that Las Vegas was "infested" with IRS and FBI agents who were unfairly harassing casino operators. Laxalt then said he would use his powers as a member of the Senate Appropriations Committee to restrict federal investigations of the gambling industry.

Laxalt's stance is predictable, considering the close relationships he has had with the men who have run the Aladdin, Fremont and Stardust casinos for organized crime interests. As mentioned earlier, Laxalt had professional and financial dealings with Delbert Coleman and Sidney Korshak. In addition, this reporter's investigation had also found that Laxalt had relationships with a number of other individuals who have been involved in the Mafia domination of the Aladdin, Fremont, Stardust, and other casinos. Among those:

- Laxalt accepted $3,500 in campaign contributions from the late Nevada casino operator Sydney Wyman. In the 1940's, Wyman was a partner in a casino venture with the late Benjamin "Bugsy" Siegel, the mobster most responsible for the Mafia's takeover of some of Las Vegas' largest casinos. Wyman was indicted, but not convicted, for his alleged involvement in the skimming scheme at the Dunes Hotel casino in Las Vegas. In 1976, Wyman was indicted on federal bookmaking charges, but died before the outcome of the case could be decided.
- Among Sen. Laxalt's closest friends had been Las Vegas casino operators Edward and Fred Doumani. In the late 1970's, the Doumanis were the subjects of federal wiretaps ordered by a federal grand jury looking into "skimming" at the Tropicana Hotel and Casino. The Doumani brothers, then the landlords of the Tropicana, were never charged with a crime. But several mob figures subsequently pleaded guilty to federal charges that they were involved in a massive skimming scheme at the Tropicana. In addition, Fred Doumani had been a close friend and associate of Joseph Cusimano, who federal law enforcement officials describe as the right-hand man of mob figure Anthony "Tony" Spilotro.

The Doumani brothers contributed $4,000 to Sen. Laxalt's 1980 senatorial campaign. Fred Doumani also told *Wall Street Journal* reporter Edward Pound that he and his brother provided Laxalt complimentary hotel lodging while he was a senator of Nevada.

- Another contributor to Laxalt's campaign has been Nevada casino owner Benny Binion. According to federal law enforcement officials, Binion, who has made $3,500 in campaign contributions to various Laxalt campaigns, was the top organized crime official in Dallas, Texas, before he moved to Las Vegas in the 1940's.

AP/WIDE WORLD

Jimmy (the Weasel) Fratianno, a former mob hit man turned federal informant

Jimmy (the Weasel) Fratianno, a former mob hitman turned federal informant, has also told federal authorities that Binion paid $60,000 to kill a small-time Las Vegas criminal, Louis (Russian Louie) Strauss in 1953.

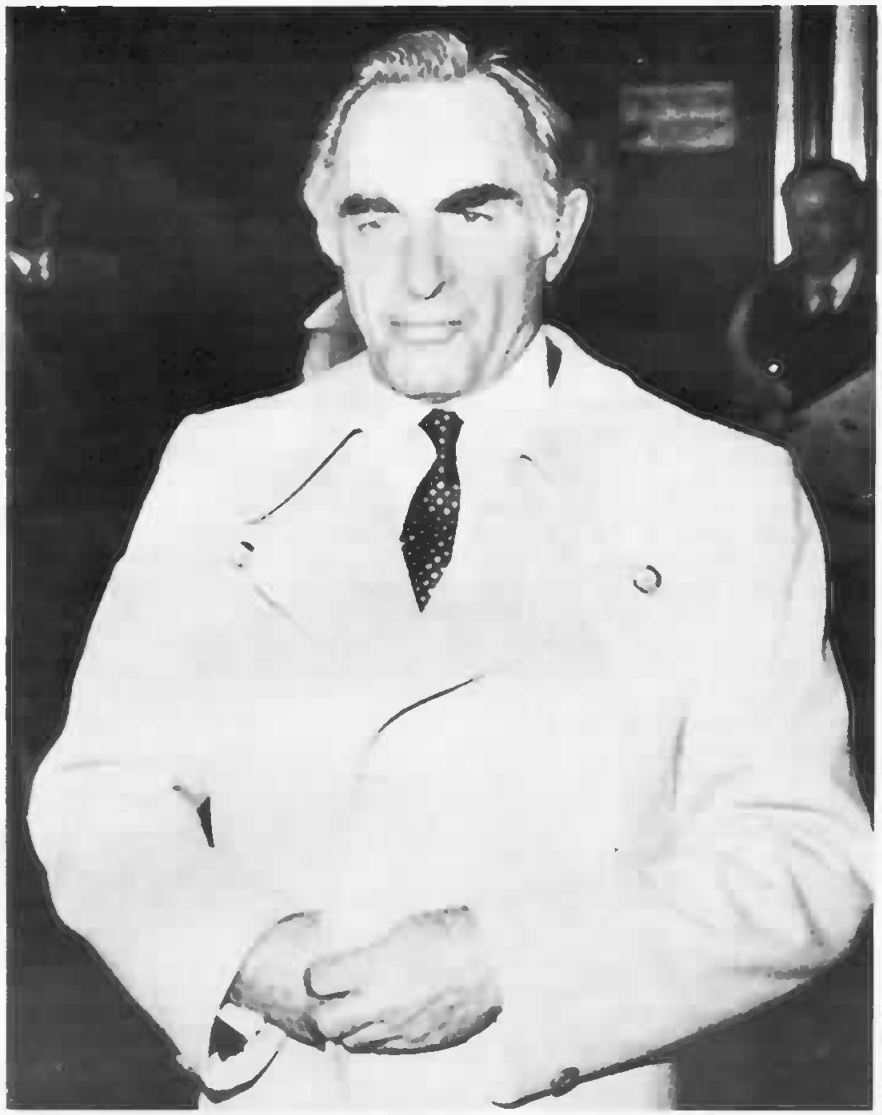
- Las Vegas casino operator Morris Shenker has contributed $2,000 to one of Laxalt's senatorial campaigns. Shenker has reportedly been identified by federal officials as a frontman for the late Kansas City mob boss Nicholas Civella in some of his casino ventures.
- As mentioned in the first installment of this series, a key fundraiser in Laxalt's 1966 gubernatorial campaign was organized crime figure Ruby Kolod. In 1965, less then a year before Kolod helped raise funds for Laxalt's gubernatorial, he had been convicted of federal charges of fraud and extortion.
- Laxalt received $2,500 in contributions for his senatorial campaign, from Allen Glick who, as discussed earlier, has been described as a frontman for various Mafia families.
- Allen Sachs and Herbert Tobman—whose alleged involvement in fronting for mob elements and in a skimming scheme at the Stardust Hotel was discussed earlier—have also made $7,000 in campaign contributions to Paul Laxalt.
- Allen Dorfman. Perhaps more than any other man in America, with the possible exception of Meyer Lansky, the late Allen Dorfman was responsible for the massive organized crime infiltration of Las Vegas and its casinos. For 20 years Dorfman, a Chicago insurance executive, was the dominant figure in the mob-dominated Central States Pension Fund. Under Dorfman's leadership, the massive $1.4 billion pension fund has served as nothing more than a private bank for the Mafia and those willing to make kickbacks to Dorfman and other pension fund executives in exchange for loans.

In the late 1950's, the Mafia expanded its interests in Las Vegas after receiving hundreds of millions of dollars of loans from Dorfman's pension fund. In 1960, powerful Cleveland organized crime figure Moe Dalitz borrowed from the fund to build the Stardust and Fremont casinos. Dalitz also later borrowed from the pension fund to build the Desert Inn, along with Ruby Kolod, the convicted extortionist who served as a key fundraiser for Paul Laxalt in his 1966 gubernatorial campaign.

- Other pension fund loans were made to mob-connected attorney Morris Shenker to build the Dunes and Landmark casinos. And still other loans were used to finance the construction of the Four Queens Casino, the Aladdin, the Circus Circus casino and Caesars Palace.

"Without Allen Dorfman and his pension fund loans," says a Justice Department official, "Las Vegas as we know it today would not exist."

In February 1971, on Dorfman's recommendation, the pension fund made an $18.1 million loan to the Circus Circus corporation to build a Las Vegas casino. Federal investigators later discovered that the man who secretly ran the casino once it was built was Tony Spilotro, the mob hitman who oversaw the Chicago mob family's interests in Las Vegas. Hundreds of thousands of dollars were skimmed from the casino while Spilotro was in charge, according to federal authorities.



The late Allen Dorfman was a dominant figure in bringing and keeping the mob in Vegas

Three years later, in 1974, Dorfman played an instrumental role in gaining approval for the $62.7 million loan application by Allen Glick and the Argent Corporation to buy the Stardust and Fremont casinos. Federal investigators later discovered that Spilotro was also involved in that deal and was the man making the decisions at the casinos while Glick was the ostensible owner.

In February 1974 Dorfman and Spilotro were indicted with five other individuals by a federal grand jury on charges of bankruptcy fraud and conspiracy to defraud the Central States Pension Fund for their role in arranging a fraudulent loan to a New Mexico toy factory. At the time of the indictment Spilotro had previously been arrested for—but never convicted of—robbery, burglary, gambling and murder. Spilotro was acquitted of the murder charges despite the fact that the prosecution had two eyewitnesses who were willing to testify that they saw the killing occur. Charles Crimaldi, himself a one-time hitman, offered this graphic testimony in open court:

"Mario [DeStefano] and I drew our guns and . . . the two of us fired . . . Another shot rang out and . . . I seen Tony Spilotro standing there with a gun in his hand. . . . He [Leo] was lying on his side . . . moaning, "Oh my God . . . Please don't . . . Oh my God." . . . Mario picked up a butcher knife and stabbed him a few times. I kicked him. Mario gave Tony the knife and Tony stabbed him, and Leo was still moaning, hollering, "Oh my God." . . . Sam DeStefano [Mario's brother] . . . put a gun up his buttocks and shot him . . . Mario stabbed him a couple more times and Leo stopped moving."

The other eyewitness willing to testify

about the murder, Sam DeStefano, never made it to the trial. Shortly before the trial began, DeStefano opened his garage door one morning to find a man waiting for him. DeStefano was shotgunned to death.

With his 1974 bankruptcy fraud indictment with Dorfman, Spilotro would have similar "luck." A key government witness in that case was to be Daniel Siefert, a business partner of one of Dorfman's and Spilotro's co-defendants in the case, Joseph (Joey the Clown) Lombardo, a Mafia hitman and loanshark. On the morning of Sept. 29, 1974 Siefert and his wife and young son arrived at his offices in suburban Chicago. They were greeted by two men wearing ski masks and carrying shotguns. The gunmen then pushed the wife and boy into a bathroom and shot Siefert. Despite being shot, Siefert fled down a long hallway, where he encountered a third gunman, who shot him in the back of his head. Siefert stumbled and fell, but got up to run towards the back door of the building. As he opened the door, a fourth gunman was waiting, who fired pointblank, instantly killing Siefert.

The FBI later found that one of the cars used in the hitmen's getaway was registered under the name of Kemp, which turned out to be phony. But a fingerprint lifted from the title of the car seemed to suggest who "Kemp" was. The print belonged to mob hitman and co-defendant Joey the Clown Lombardo.

After Siefert's murder, Dorfman, Spilotro and Lombardo were acquitted after a federal trial. Like Sidney Korshak, Robert Heymann and Allen Glick, Tony Spilotro would never spend a day in jail.

Allen Dorfman, however, had not always been as fortunate. In 1972, Dorfman was convicted and sentenced to prison for accepting a $55,000 kickback in arranging a $1.5 million Central States Pension Fund loan for a Miami businessman. Despite Dorfman's criminal record, federal law enforcement officials have observed Laxalt meeting with Dorfman on a number of different occasions, including for dinner. The observations of the meetings with Laxalt occurred during routine surveillances of Dorfman in unrelated criminal investigations.

Laxalt's meetings with Dorfman also appear to be quite disturbing considering the fact that Dorfman is currently being tried in federal court in Chicago on charges of conspiracy to bribe Nevada's other senator, Howard Cannon. A federal grand jury charged that Dorfman, Teamsters Union President Roy Williams, and Joey Lombardo attempted to influence Cannon to delay introduction of trucking deregulation legislation that was harmful to the Teamsters in exchange for allowing the senator to buy a 5.8-acre parcel of land for below market value from the Central States Fund.

During the trial, FBI wiretaps were introduced into evidence in which Dorfman was overheard boasting of a 20-year friendship with Cannon and saying that he was among the first individuals who ever made contributions to the senator's first political campaign. The tapes also show the vast power that Dorfman has in the Teamsters Union. In one tape, Dorfman was overheard telling a high-level union official about how he berated Teamsters Union President Williams for allowing to fall through the deal to sell Cannon the land in exchange for his delaying the trucking deregulation legislation: "I says, You know, when this commitment was arranged, Roy, you sat in the same fucking room. You made the same fucking commitment I made. Now the property's gone; fuck it, let it go. But I'll tell you somethin', I don't give a damn if you have deregulation shoved up your fucking ass or whatever happens." Interestingly, the deal to sell the senator the land ran into problems because another man was also trying to buy it: Allen Glick.

More recently, Dorfman was indicted by another federal grand jury along with Joey the Clown Lombardo for allegedly conspiring to extort $800,000 from a business associate. On Jan. 20, 1983 Dorfman was murdered gangland-style by mob associates in a parking lot of a suburban Chicago restaurant.

In 1971, after a meeting between Dorfman and Laxalt, the senator wrote then-President Nixon to urge him to release Teamsters boss Jimmy Hoffa from prison.

"Dear President Dick," Laxalt wrote Nixon. "The other day I had an extended conversation with Al Dorfman of the Teamsters, with whom I have worked closely the last few years.

"He described for me in detail the history of Jim Hoffa's difficulties with the Justice Department.

"This conversation, which described in detail the personal vendetta that Bobby Kennedy had against Hoffa, together with other information provided me over the years, leads me to the inevitable conclusion that Jim is a victim of Kennedy revenge. This, in turn, convinces me that through vindictive action he has been and continues to be a political prisoner.

"While I don't know Mr. Hoffa personally, I have had occasion to have a great deal of contact with Mr. Dorfman. . . .

"Several months ago I had the members

Jimmy Hoffa was the subject of a Laxalt letter to Nixon urging the release of Hoffa

of the (Teamsters) board at the governor's mansion for a briefing of our state gaming heads. The candidness, the spirit of cooperation which they extended, impressed all of us greatly. I cannot believe that the men who organized this group is the criminal type so often depicted by the national press. . . .

"Intervention by the White House would be highly sensitive and would undoubtedly result in severe criticism in several segments of this country. However, I know that hasn't deterred you in the past. . . .

"Most executives wouldn't touch this case with a '10-foot pole.' It's simply too hot a 'political potato'—but the Dick Nixon I know has the guts not only to make the decision which should be made but dramatically explain it to the satisfaction of fair-thinking Americans."

Laxalt has also been observed meeting several times with Moe Dalitz, a powerful organized crime figure, who with loans from the Central States Fund built the Stardust and Fremont casinos. Dalitz has also been a co-owner of the Desert Inn with Ruby Kolod, the convicted extortionist who played a major role in raising funds for Laxalt's first gubernatorial campaign.

In 1980, the *Nevada State Journal* reported that Dalitz made $2,000 in contributions to Laxalt's Senate Re-election Committee. When the newspaper editorially called on Laxalt to return the contribution, the senator commented: "I refuse to let politics get in the way of a good friendship."

Another campaign contributor to Laxalt's Senate campaigns has been Lefty Rosenthal, who gave Laxalt $2,500 in 1975. As mentioned earlier, Rosenthal worked for Delbert Coleman's Parvin-Dohrmann Corporation and was in charge of a massive skimming operation at the Stardust and Fremont while owned by Allen Glick.

In a report filed with the Nevada Gaming Control Board, Rosenthal was quoted as boasting that he could "turn on and off" the political contributions of the Aladdin, the Riviera, the Tropicana, Circus Circus casino, the Argent Corporation and the Stardust and the Fremont. Campaign records show that four executives of those companies and casinos made contributions to Laxalt's 1980 Senate campaign.

Laxalt has accepted campaign contributions from and has been observed meeting with Clifford Perlman, president of Caesars Palace. Last year, the New Jersey Division of Gaming required Clifford and his brother, Stuart, to sell their interests in the Boardwalk Regency hotel before it was relicensed. What concerned the state regulators was that the Perlmans had vast business dealings with Alvin Malnik and Samuel Cohen, two of the most trusted associates of mob chieftain Meyer Lansky.

Laxalt apparently sees nothing wrong with his close relationship to the Perlmans in that he has made no effort to hide the existence of such a relationship.

AP/WIDE WORLD

Mafia chief Meyer Lansky

"I sat down to watch the Cooney-Holmes fight on cable television one day," says an FBI agent who has spent most of his career investigating the Mafia and the Teamsters Union, "and there at ringside was Clifford Perlman and Paul Laxalt sitting next to one another. It was Clifford's casino, so there's no doubt that Laxalt was Perlman's guest."

Vince Clemente, a former investigator for the New Jersey Division of Gaming, says he believes that Perlman is not the type of individual to give someone ringside seats to a major heavyweight fight without expecting to receive something in return. "When we were considering granting a license for Perlman to operate a casino in New Jersey," says Clemente, "he had the governor of New Jersey out there as his guest. Clifford Perlman seems to pick his friends on the basis of what they can do for him."

On Dec. 7, 1982 President Reagan named Paul Laxalt as chairman of the Republican National Committee. The President was happy about the appointment, aides said, because the man who had been the "President's eyes and ears in the Senate" would now also be his "eyes and ears" in the Republican Party as well. For Paul Laxalt, it was also a day to be proud. As a U.S. senator and chairman of the Republican Party, he would now be one of the most powerful men in Washington.

And for Sidney Korshak, Delbert Coleman, Moe Dalitz, Ruby Kolod and the other men who have run Nevada's casinos for the Mafia, it would also be a good day. They now had a friend and someone who was indebted to them as one of the closest advisers to the President of the United States. ■

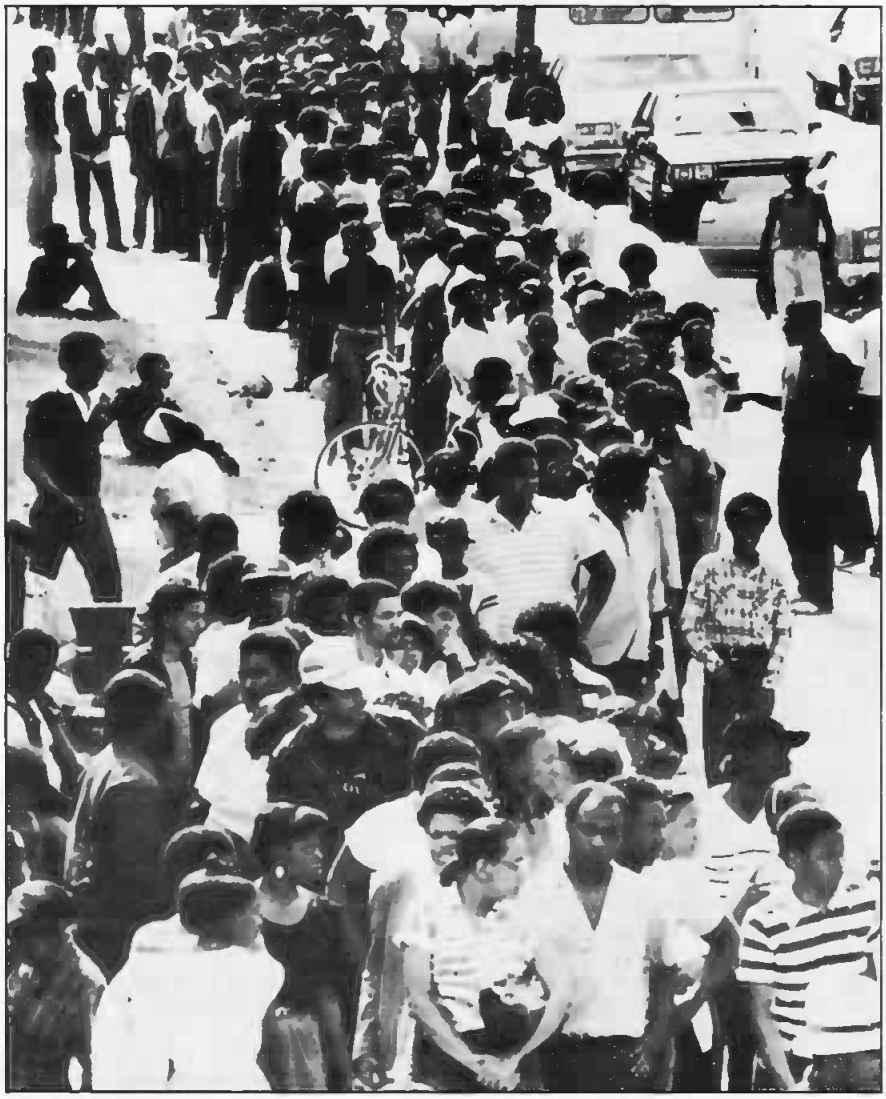
Murray Waas is a Philadelphia-based writer and a contributing editor of **The Rebel.**

Taking from the poor and giving to the rich remains a central principle of Reaganomics

By William Hartung

If you believe what you read in the papers, you may think that Ronald Reagan's economic policies are starting to work, and that prosperity is right around the corner. The drop in the official unemployment rate to "only" 8.4 percent in November of 1983 and the end of double digit inflation rates have raised a lot of hopes and gained a lot of good publicity for Reaganomics. The new fanfare over economic recovery is a far cry from the dog days of 1982, when Reagan was literally blaming bad media coverage for the poor performance of the economy. In his most famous outburst, he demanded to know "why it's news every time somebody in South Succotash loses a job."

If the truth were told loudly and clearly, what is happening to the U.S. economy now is only a recovery compared to the depression Reagan policies helped push the country into during his first two years in office. If we look beyond the hopeful headlines to the actual living conditions of most Americans, the economic recovery begins to look like pretty thin soup. There is a series of popular myths about the current state of the economy which need to be corrected if Reaganomics is to get the fair hearing it deserves.



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No shortage of applicants for Chicago city jobs. This lineup was for temporary positions

MYTH #1: Reagan's Policies Have Reduced Unemployment

Jimmy Carter was chased out of office partly because most people felt that he was mismanaging the economy. Yet, when he left office, the official unemployment rate was only 7.1 percent, and there were one and one half million *fewer* people unemployed than there are today, during the Reagan recovery. The administration is counting on people to have short memories, and to be so grateful for any improvement in the employment picture, that Reagan's responsibility for the substantial increase in unemployment since he took office will be ignored.

The 10.8 percent unemployment rate of December 1982 was a post-World War II record for the United States, and Reaganomics had a lot to do with creating that state of affairs. First of all, Reagan budget decisions destroyed well over one million jobs. According to the National Education Association, cuts in education programs eliminated 75,000 jobs for teachers and school workers nationwide. The elimination of two public service employment programs of the Comprehensive Employment and Training Act cost another 500,000 jobs. In all, the AFL-CIO Industrial Union Department has estimated that Reagan's 1982 budget cost over one million jobs in government and government-supported activities.

These job cuts in civilian programs have *not* been counterbalanced by the jobs flowing from the multi-billion dollar Reagan military buildup. Leaving aside social insurance programs like Social Security, Reagan military spending increases have been matched dollar for dollar by cuts in civilian programs. According to the latest Bureau of Labor Statistics input-output model of the U.S. economy, a billion dollars spent on weapons creates only one-half to one-third as many jobs as a billion dollars spent on housing, mass transit, hospital services, or education programs does. This is primarily a result of the fact that weapons production employs large numbers of well paid scientists and engineers and relatively few production and clerical workers. For example, producing a guided missile like the MX or Pershing II requires *10 times* as many engineers and only *one-fifth* as many production workers as the average manufacturing industry. Reagan budget policies have destroyed jobs for teachers, hospital workers, construction workers, and other civilian occupations at a much faster pace than they have created jobs in weapons production.

So why has unemployment come down

For the first time since the 1930's the Salvation Army sets up soup kitchens in Sacramento to feed the area's hungry people

from last year's record levels? Most mainstream economists see increased consumer spending as the key. Although there is some disagreement about what caused it, the reduction in the rate of inflation seems to be a main force behind increased consumer spending. The cut in the inflation rate proves the point that if you push enough people out of work and have a deep enough recession, wages and prices won't go up as fast as they would otherwise. Another contributing factor in the *relative* decline in the unemployment rate is that while many of the layoffs in civilian programs that suffered budget cuts happened almost immediately, money set aside for weapons programs took several years to result in new jobs because of the need to build new plants, acquire equipment, and get down to production. Although there has still been a net loss in employment as a result of Reagan Administration budget priorities, the *timing* of the new jobs from increased military spending has helped bring unemployment down from last year's record high levels.

At best, most economists predict that unemployment will still be hovering around 8 percent by the end of this year, a full percentage point higher than when Reagan took office. Treasury Secretary Donald Regan won't promise anything as low as even 6 percent unemployment until 1986. With administration calls for a new round of civilian budget cuts and a record 22 percent increase in military spending for 1985, the employment picture is likely to get worse, not better, if Reagan is re-elected.

MYTH #2: The Cost of Living is Going Down

The rate of inflation as measured by the consumer price index has gone down from over 11 percent from 1980 to 1981 to less than 4 percent over the past year. It is often assumed that the slower rate of inflation has lead to increased purchasing power and a better standard of living for large numbers of people, and that this improvement is a result of Ronald Reagan "getting government off our backs."

Nothing could be further from the truth. While prices *have* gone up at a slower *rate*, wages and other forms of income have still be declining relative to inflation. The average earnings of manufacturing workers have declined by 12 percent since 1978, and this steady decline has not been slowed down by the new lower inflation rates of the Reagan era. From his union busting approach to the air traffic controllers' strike to his proposals for sub-minimum wage jobs for teenagers, Ronald Reagan has helped create the atmosphere that has fostered wage cuts in basic industry and concessions in union contracts like the recent 7.8 percent pay cut at Greyhound. A lower rate of inflation doesn't help when your paycheck is being cut or your job is being eliminated.

People living on fixed incomes haven't benefitted from slower inflation either. A six-month delay has been enforced on cost of living adjustments for Social Security recipients, which means that payments undergo an extra six months of inflation before being adjusted. This seemingly small change will reduce Social Security outlays by $7.9 billion between 1983 and 1985, which will mean lower payments for the 36 million retirees and disabled persons currently receiving payments under the program. The Food Stamp program, which provides 21 million Americans with $1.40 per day in benefits to help them eat a nutritious diet, had its inflation adjustment *cancelled* for 1982. The attack on inflation adjustments for a whole range of service programs has meant that tens of millions of people are losing purchasing power faster *now* than they were when inflation rates were higher.

MYTH #3: The 'Truly Needy' Have Not Been Hurt by Reagan's Budget Cuts

Ronald Reagan has stressed from the beginning of his term that his cuts in social programs would eliminate waste and inefficiency without hurting anyone who is "truly needy," as he put it in one early press conference. A systematic study of cuts in human service programs since 1981 which the Congressional Budget Office released last August shows that it is precisely those most in need who have suffered the most from the budget cuts.

The study shows that while human services spending as a whole has dropped by 7 percent since Reagan took office, need-based programs in public employment have been cut by 99 percent; community services have been cut by 39 percent; child nutrition programs have been cut by 28 percent; and Food Stamps and Aid for Families with Dependent Children (AFDC) have each been cut by 13 percent. The largest cuts have come from the programs

serving people with the lowest incomes.

If your household earns less than $10,000 per year, the CBO estimates that benefit reductions flowing from Reagan budget cuts would cost you at least $430 this year. If your household brought in $40,000 or more, average benefit reductions from the Reagan cuts would be only $170 this year. However, as the CBO points out, "For some income groups, particularly the higher ones, the tax reductions would more than offset benefit reductions." Taking from the poor and giving to the rich remains a central principle of Reaganomics.

MYTH #4: The Reagan Tax Cuts Have Benefitted Everyone Equally

One of the most concrete and popular of Reagan's economic measures has been his income tax cut. According to the President's rhetoric, everyone would have more to spend, and *more freedom* in choosing how to spend their income, after his tax cuts took effect. In fact, some of us got enough new spending power to eat an occasional lunch out, while others received enough to buy a new Cadillac and spend the winter in the tropics.

An analysis of the original proposals to cut personal income taxes by 5, 10, and 10 percent in the first three Reagan years by economist Robert Lekachman shows clearly who gets the most out of the tax cuts. In his book, *Greed is Not Enough: Reaganomics*, Lekachman demonstrated that the *47 percent* of all taxpayers who earn $15,000 per year or less would get between $84 and $367 back from the Reagan income tax cut, while the *less than 1 percent* of all taxpayers who earn $100,00 or more would get between $9,200 and $25,000 back. It's nice to know we're all in this together, sacrificing to put the country back on its feet again.

Wealthy individuals are not the only beneficiaries of Reagan's tax policies. Corporations have enjoyed a virtual tax holiday over the past three years. Office of Management and Budget estimates show that corporate income taxes accounted for *less than 6 percent* of total federal receipts in 1983. This was *less than half* of the proportion of federal revenues that came from corporate income taxes in 1980, and it was the lowest relative contribution by corporations ever. While people who get $1.40 a day in Food Stamp benefits are being told that the government "can't afford" to keep their benefits up with inflation, large corporations are being granted billions of dollars in tax breaks.

MYTH #5: Reagan Has Cut Government Spending

Although the administration is usually careful to point out that it is trying to "cut the rate of growth" of federal government spending, many people still think that the federal budget is actually lower now than it was three years ago. What has actually occurred is a massive *shift* from civilian programs to military programs, coupled with continued growth in social insurance programs.

According to the Office of Management and Budget's own figures, total government spending rose by $148 billion, from $657 billion to $805 billion, from Reagan's first year in office through the end of last year. As an analysis by the Coalition for a New Foreign and Military Policy has shown, while social insurance programs serving middle income people (e.g., Social Security and Medicare) have increased their share of the budget from 33 percent to 36.5 percent during the Reagan term, the major changes have involved military spending versus civilian services and investments. Between 1980 and 1983, military programs grew from 23.6 percent of federal spending to 29.2 percent, while all civilian programs besides social insurance and interest on the national debt shrunk from 32 percent to 19.5 percent of total government spending. If Reagan is reelected and has his way, civilian programs will shrink to *14.8 percent* of all federal spending by 1987, while military spending climbs to *37.2 percent*. This means that the country will be spending 2½ times as much money on weapons and soldiers as it will on education, nutrition, welfare, employment, housing and all other non-insurance programs combined. In the words of the Coalition for a New Foreign and Military Policy, "the federal government is being reduced to little more than an insurance company on the one hand and a tax collector for the Pentagon on the other—its role in other areas is being reduced to a

Thousands of jobs have been lost at steel companies like this one in Youngstown, Ohio

historic low."

And, thanks to the Pentagon's $1.6 trillion military spending plan for the next five years, the federal budget *and* the federal deficit are likely to keep growing if Reagan gets reelected. In fact, Martin Feldstein, Reagan's latest Chairman of the Council on Economic Advisors, was nearly fired for giving a speech last November in which he pointed out that the three greatest contributors to record federal budget deficits now and in the future will be military spending, Reagan's tax cut, and interest payments on the national debt, in that order. When he was campaigning for his civilian budget cuts, Ronald Reagan made impassioned speeches about the need to lower government deficits, and talked about how the accumulated national debt of one trillion dollars could go around the world *67 times* if it was measured in dollar bills laid end to end. Now that he has presided over the largest budget deficits in history (nearly $200 billion last year alone), he doesn't want the American people to know what's causing them: *his* policies of runaway military spending and tax breaks for the wealthy. You aren't likely to hear any more speeches by Martin Feldstein about what causes government deficits between now and the election, except (maybe) in his resignation speech.

MYTH #6: No One is Going Hungry in America

Reagan adviser Ed ("Scrooge") Meese will probably get the James Watt memorial foot-in-mouth award for his comment just before the holidays in December that the people standing in food lines around the country aren't doing it out of need. Not only have hunger and poverty increased dramatically in the 1980s, but Reaganomics can rightly claim these increases as part of its "success." From 1980 to 1982, the number of people officially below the government's poverty line rose by 5 million, from 29.3 million to 34.4 million. It has long been recognized that the official government poverty line ($9,800 per year for a family of four) is not necessarily enough money to feed, clothe, and house a family adequately. Many food and nutrition groups argue that the number of people "at risk" of suffering from malnutrition should include at least all people who earn 125 percent of the official poverty level or less. Measured in this way, the number of people who are at risk of suffering from malnutrition has risen from 40.7 million in 1980 to 46.5 million by the end of 1982. This means that one out of every five people in America is now in danger of suffering from some degree of malnutrition.

The fact that more people are going hungry has been borne out by recent surveys by the Harvard School of Public Health, Cook County Hospital (Chicago), and New York City's Montefiore Hospital, each of which showed substantial increases in the numbers of people seeking help for medical problems related to malnutrition. It is hard to avoid the connection with Reagan policies—one million people have lost Food Stamp benefits, three million children have been eliminated from the School Lunch program, and 900,000 children have lost free or subsidized school breakfasts since 1981, according to the Congressional Budget Office. Ed Meese can't afford to recognize the extent of hunger in America because to do so would come dangerously close to the question of what is causing it—his boss's budget policies are one major cause.

MYTH #7: Reagan is for 'Free Enterprise' and Against 'Government Interference'

> *"When nation-sized corporations avail themselves of the public treasury and till, through mail subsidies, government loans, loan guarantees, investment tax incentives and tax write-offs, exploit public lands and resources, and profiteer from national defense spending, then they are not playing by the rules of the free market, which they are forever preaching as sacred law."*
>
> ***William Winpisinger, President, International Association of Machinists, in* Let's Rebuild America *(Washington: IAM 1983)***

Corporations have gotten more subsidies under Reagan's born-again "free enterprise" approach than under many of his more liberal predecessors. In 1982 alone, the Pentagon awarded $116 billion in contracts to private corporations and research groups to do everything from build MX missiles to provide shoelaces for the Marines. The 10 largest Pentagon contractors got 40 percent of their sales from their military contracts, and many of them would have made no profit whatsoever without doing business with the government on a "cost plus" basis. While Reagan has promoted increasingly complex reporting requirements on states administering the meager Food Stamp and Aid for Families with Dependent Children programs, which together were *10 times smaller* than the Department of Defense budget last year, he has taken no serious action to curb the exorbitant profits of defense corporations or to stop the armed forces from paying $110 for parts they could buy for 4 cents in a hardware store. The real point is that it you are poor and powerless, you can *count* on interference from Reagan's government—if you're rich and powerful, you can expect millions in subsidies with no strings attached.

AP WIDE WORLD

Another unemployed worker

So, think twice before you jump on the "recovery" bandwagon. It is understandable that everyone would like to see the economy improve, with more jobs and income for everyone. This is probably one reason why the upturn from 1982's disastrous economic situation has been greeted so positively. The problem is large parts of the population have gained *nothing* from the recent economic changes—the unemployment rate for black teenagers is still hovering at an official rate of 50 percent, and the major job losses in the steel, auto, and construction industries have barely been touched by the "recovery." Furthermore, this may be the best that things get. Reagan undoubtedly hopes to squeeze by in the 1984 elections by arguing that the economy is "improving" and that everyone will benefit eventually. In fact, his budget and tax plans, once fully unleashed after another election, could well make things dramatically worse than they are now—by the 1988 election candidates may be promising to bring unemployment "down" to 10 percent.

Perhaps the worst thing about Reaganomics is that it will not be a terribly hard act to follow. If Walter Mondale or John Glenn get into the White House, they will need to do fairly little about hunger, poverty, and unemployment to do "better than Reagan." Whoever wins the 1984 election, people will have to be more demanding of them than the press has been of Reagan's "recovery" if any real progress is to be made toward solving the very serious economic problems of this country. ■

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Military Economics

We can no longer afford "defense"

by Josh Martin

The American economy has fallen hostage to the federal government's military budget. This year, that budget may consume 55 percent of all federal outlays—the highest percentage since the Vietnam War. Where that money is spent can determine the economic health of cities, counties, states and regions.

This domestic picture is mirrored abroad, where the United States government is supporting the armed forces of 60 nations, in addition to its own overseas troops, spending billions of dollars to equip and maintain 10 million men and women in uniform. The economic impact of this foreign military policy may be greater than military spending at home. We pay each of the foreign troops anywhere from $5,000 to $10,000 a year in cash, loans and equipment, to act as our frontline forces. By domestic standards the dollar amounts per soldier may seem small: the average soldier gets about $2,000 from the U.S. defense establishment. But this amount often exceeds by many times the per capita income of the country whose uniform the soldier might wear. In many cases, even the uniform itself comes from Pentagon stockpiles.

Economic impact has supplanted firepower as the key factor to consider when evaluating the influence of America's military establishment. But in an age of limits, the bloated military budget robs funds from other activities that can bring more real benefits to the American public and its foreign dependents. The very nature of defense spending weakens the economy that carried America to military pre-eminence. The soaring defense budgets could weaken America's military posture by failing to maintain key parts of the civilian infrastructure.

Defense Secretary Caspar Weinberger is not humbled by limits. Last December he insisted he would need $321 billion to maintain an adequate American military establishment in 1985—an $81 billion increase over last year's spending levels that far exceeds the administration's original defense program drafted in 1981.

Some government officials see an irony in this administration's cheerleading for military spending. "Cap" Weinberger earned his nickname because, as a Nixon-Ford cabinet minister, he put a "cap" on federal spending while serving as Secretary of Health, Education and Welfare. But, like many other members of the Reagan Administration, Weinberger has a dangerously naive weakness for the military.

The public reaction to Weinberger's spending proposals in Congress has ranged from outrage to disbelief. Even Republican legislators are questioning Weinberger's original stated needs, mainly because the proposal was made without consulting them beforehand. Rep. Robert H. Michel, the Republican leader in the House, told the Defense Secretary his request would not be met: "A 22 percent increase is not achievable and would only serve to aggravate any attempt to work a compromise in Congress."

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Defense Secretary Casper Weinberger

LPI

Rep. Robert H. Michel

The congressman's math was wrong. Last year's defense budget came to $240 billion. Using this base, Weinberger was actually demanding a whopping 33 percent increase in his budget. Whichever figure one uses, the increase was unprecedented in peacetime.

Normally the Congress and the White House tacitly agree on the parameters of debate over the defense budget. Those parameters, in dollar terms, usually work out to a $10–$12 billion difference. By asking for such a large increase, Weinberger has widened the gap to $50 billion between congressional proposals ($270 billion) and his own.

What does this mean to taxpayers? It means that instead of having a defense budget of $285 billion (as projected by the Department of Defense in 1981/82 for 1985), we will probably spend about $305 billion.

The real military budget is far higher. To find it, you have to add the official defense budget to the budgets for veterans benefits, NASA military research and development, the Coast Guard, military-related federal debt interest payments, and one or two minor items. The total in fiscal year 1984 comes to $335 billion—far above the $240 billion Defense Department budget usually cited. In fiscal year 1985, the year presently under debate, for which Weinberger wants $321 billion for defense, real military spending could reach $420 billion if clearly related military budget items are included.

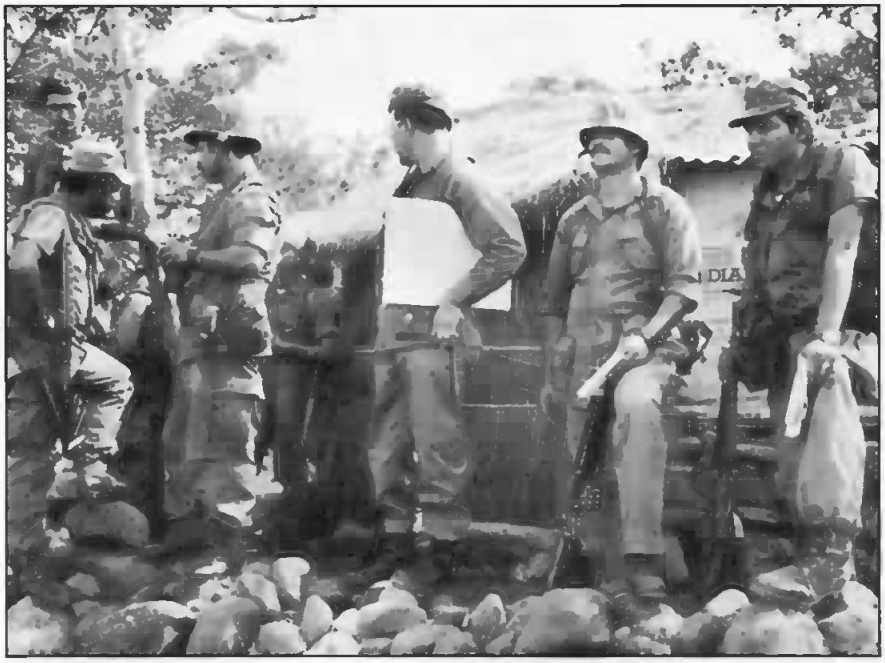
In the face of such spectacular military spending increases, Congress thus far resembles a rat hypnotized by a cobra's dance. Congressional inaction is interpreted as a political consensus that a fast-growing military budget is necessary. The legislature abdicates its responsibilities, allowing the resulting power vacuum to be filled by presidential fiat.

The result, from the Pentagon's view, has been the emergence of a high-salaried, high-tech "volunteer" army, nurtured by large military budgets. Congress, by failing to apply needed restraints, has sanctioned the transformation of the U.S. military into the world's best paid and best provisioned mercenary force.

The economic consequences of this trend are poorly understood by both the Congress and the President. The illusion of military strength, created by dazzling new weapons systems and a few police actions in Latin America, distracts many politicians from the high civilian economic price paid for fleeting martial glory.

To pay for the most recent defense hike, President Reagan is subtly pushing a tax hike to cover the increase without enlarging the $200 billion forecast budget deficit. In true Reagan fashion the taxes are for the most part regressive: an energy consumption tax and a one percent surcharge on corporate and individual in-

Lawrence J. Korb



Army officers in El Salvador

come are among the measures being considered. On the spending side, Reagan is again considering cuts in domestic programs. Major cuts are planned for education, the Environmental Protection Agency, Medicaid, and food stamp program.

These taxes, and the military budgets that led to their levy, are causing a vast majority of Americans to become poorer. It is the lower- and middle-income groups who pay the real price for guns over butter.

The Reagan Administration's defense and economic policies have produced some unexpected benefits for the military services. High unemployment in the private sector, in part the result of increased military budgets, has caused a dramatic rise in public interest in military service. A convenient series of military crises—in Lebanon, Grenada and El Salvador—helped boost the popularity of the military. Military themes in ads and in the performing arts have also sweetened the Pentagon's image. Through circumstance and design, a vicious circle now exists: Military spending creates unemployment, unemployed seek security in military service, social unrest finds an outlet in an aggressive foreign policy.

It was no surprise, then, that the Defense Department reported that 1983 was its best recruitment year ever. Lawrence J. Korb, Assistant Secretary of Defense for Manpower, says the recruitment success is due to "a renewed spirit of patriotism," as well as better pay and living conditions in the armed services. Almost as an afterthought, he cited record unemployment rates as a factor.

What about employment? Ironically, one of the arguments now used by the Reagan Administration to justify increased defense spending is that it will create new jobs. This is at best a half-truth. True, jobs will be created, but defense spending is one of the least productive ways to create employment, particularly if one's aim is to reduce blue-collar unemployment. A recent study by the Council on Economic Priorities found that most defense-created jobs require sophisticated white-collar skills not possessed by the bulk of those now unemployed. In absolute numbers, defense-related job creation makes a poor showing. Robert W. DeGrasse Jr., a project director at the Council concluded that every billion dollars spent on military procurement would create about 28,000 jobs. The same billion dollars in public transit would create 32,000 jobs; in personal consumption, 57,000 jobs; and 71,000 if spent for education.

An American-trained soldier in Morazan

There are some other bad side-effects to the rapid increase in military spending. As more of the economy becomes dependent on defense procurements, foreign trade and industrial modernization schemes suffer (why should companies already enjoying Defense Department largesse bother to modernize, or sell abroad?).

Despite the poor showing of defense spending as a job creator, in comparison with other types of spending, it can have a substantial impact when it is concentrated on a particular community or state. The top five states in terms of per capita defense spending—Alaska, Hawaii, Virginia, Connecticut and Washington, D.C.—enjoy far lower unemployment rates than the national average. The five bottom states—Iowa, Michigan, West Virginia, Illinois and Oregon—have some of the nation's highest unemployment rates.

There are choices within the real military budget which can affect its impact on the population. Here again, the current trend of expenditure channels funds into the most negative areas. Almost all of the military spending increases will go to new weapons development or foreign military activities, which benefit only a technological elite and a handful of major defense contractors. The budgets for more civilian-oriented, broad-based domestic military programs like veterans' benefits, the Coast Guard, NASA research and the Maritime Administration have only received slight increases.

It isn't surprising, with huge sums being spent on daring new weapons systems,

Keeping low in an offensive in Morazan, El Salvador

that many stock analysts see a bright future for investors in defense stocks, particularly in those stocks of companies involved in developing "star wars" systems. Many of these companies don't even manufacture a product. They are private "think tanks" which do the research needed prior to manufacture. Last year, over $125 billion of the military budget was spent on research and development.

It helps to put these huge sums of money into more manageable terms. What does it mean to the average soldier? Or, for that matter, for the average citizen/taxpayer? Last year, the average American paid $2,365 in taxes to support the Reagan Administration's military buildup policies. Each taxpayer now sends the IRS $946 more for the defense budget than he or she sent in 1980. But the best way to look at the military budget is to look at how the individual soldiers are affected.

In the 1984 budget, $240 billion was spent to arm and supply 2,136,400 soldiers, sailors and airmen. Each person in the armed services cost taxpayers $112,073.17 to maintain in uniform for the year. If one deducts funds spent on defense-related research and development, each soldier still cost a record $60,845.07. This compares with $22,614 spent per soldier in 1969, at the height of the Vietnam War, and $7,383.47 per soldier in 1944, the peak spending year of World War II.

Defense advocates argue that the shrinking real value of the dollar over time minimizes the soaring military costs. But the ratio of soldier costs to per capita income—a constant that is unaffected by inflation—shows that the real costs of the military have been growing. In 1944, it cost six times an average citizen's income to maintain one man in uniform. By 1969, it cost seven times the average person's income. But look what's happened under the Reagan Administration, with the nation officially at peace with the world. In the past three years, the amount spent per soldier has soared from $67,063.05 to $112,073.17; costs have risen from seven times per capita income in 1980 to 10.5 times per capita income today.

A quick glance at military aid and expenditure abroad reveals similar blatant excesses. American military aid has risen from $1.1 billion in 1980 to $4.7 billion in 1982, with a further 44 percent increase in 1983, while economic aid has been cut or given out grudgingly. (A recent administration proposal to combine military and economic aid would disguise the trend towards the military over the economic.) In addition, the U.S. government has gone all-out in a vigorous "buy American" arms campaign. According to published reports, U.S. arms transfer agreements for selling weapons to the Third World soared to $15 billion in 1982, the last year for which full figures are available. By comparison, the Soviet Union in that year chalked up $10.2 billion in Third World arms sales, and the French ranked third, at $7.7 billion.

In 1983, the top seven recipients of U.S. military aid were Israel ($1.7 billion), Egypt ($1.3 billion), Turkey ($469 million), Spain ($404 million), Greece ($283 million), Pakistan ($276 million) and South Korea ($212 million). In effect, this aid buys nationalized mercenaries. The U.S. paid $9,883.72 for each Israeli soldier in uniform, $3,542 for each Egyptian, $1,466 for each Greek and so forth. In Israel, Egypt and Pakistan, U.S. military aid alone allows those armies to enjoy a standard of living double that of civilian populations.

In several instances, America's military aid recipients—the soldiers—are getting more in aid from the U.S. than those countries provide in their entire domestic military budgets. For example, the $60 million in military aid being given to El Salvador this year is about $10 million more than El Salvardor's entire military budget. The Reagan Administration is spending $6,042.29 per soldier, in a land whose per capita income is $350, to keep the 10,000-man army of the right-wing regime in the field this year.

Considering the El Salvador army's poor fighting record (save for shooting American nuns and enemy troops who have already surrendered), the Reagan Administration might do better if it entered the private army markets to hire freelance soldiers. For the same $60 million being wasted on obvious losers, a gung-ho mercenary army of the same size could be kept in the field for three months, based on the going rates for mercenary troops.

Three months should be enough time, by this administration's standards, to resolve El Salvador's political conflicts on the field of battle. At any rate, the mercenaries would not act as foolishly as the Salvadoran soldier who wasted $8,500-worth of grenades to blow up a barking dog. We could expect a bigger, more precise, bang for the buck.

As far as the U.S. defense establishment is concerned, Washington still prefers to invest in more "star wars" technology, which involves an expensive research and development process that has few commercial (i.e., civilian) applications. Under administration plans, an increasingly large portion of the military budget will go to pay for high-tech weapons development. Between 1980 and 1988, the Congressional Budget Office estimates the weapons development share of the military budget will rise from 36 percent to 52 percent of outlays.

The present course assures that we will throw away a significant portion of our national treasure for equipment whose use is unthinkable and whose effects are unspeakable. In 1988, the Pentagon will spend $172 billion on military procurement and on research and development; in that year, citizens will spend an estimated $133,400 for each soldier in uniform. But that, some say, is only a case of more buck for the bang. ■

Josh Martin specializes in political and economic reporting.

William Colby The former CIA Director argues that spies are men of high morals

As the Reagan Administration prepares to unleash the CIA, stripping away restraints placed upon the Agency in 1975, The Rebel *presents an interview with former CIA director William E. Colby, the dean emeritus of American spies.*

Colby began his career as one of the small band of daredevil espionage agents working for the CIA's predecessor, the OSS, in Nazi-held France. He worked his way up through the ranks of the CIA, serving as chief of the Far East division from 1962 to 1968, and running CIA operations in Vietnam from 1968 to 1971, before being named director of the Agency in 1973. During his stewardship, the CIA served as a tool for American presidents to carry out a wide range of controversial policies, including political assassinations, "secret" wars and domestic surveillance missions.

Since his dismissal from the CIA in 1976, following Senate investigations that exposed some, but not all, illegal CIA activities at home and abroad, Colby has worked in Washington as a lawyer and business consultant. During this time, ironically, the former Cold Warrior has emerged as an outspoken advocate for a global nuclear freeze and for domestic gun control.

Like the spies in works by John LeCarre and Graham Greene, Colby has a deceptively modest appearance. His gentle manner masks a ruthlessness that emerges as he defends CIA policies and actions in Vietnam, Chile, Nicaragua and within America itself. On these matters, he remains unrepentant. One may disagree with his views and analyses of events, but Colby presents a unique perspective into the operations of America's espionage establishment.

This interview was conducted by investigative journalist Josh Martin in Colby's office in Washington.

RICHARD GREENHILL

"Anybody who says he's your enemy, I think is worth listening to"

THE REBEL: Do you see any need for limits to be set on the kind of activities the CIA can be involved in?

COLBY: Yes. The thing I was especially involved in at the CIA was bringing it under our constitutional system, instead of being outside of it. There had been a total national consensus that intelligence was outside of the constitutional system, because that's where the old spy business was. The problem is that there's a contradiction in that, because the Constitution does not say there's an exception for intelligence. It says the government operates on the separation-of-powers principle, and it applies. The attempt to say that there's an unspoken exception just has an inherent contradiction. We can't pretend that it's a little spy service operating outside the constitutional system. It needs the constitutional controls of being told what to do and what not to do by the President through a structured system of directives.

THE REBEL: Who should control enforcement of those directives?

COLBY: Again, the president, who has the responsibility to execute the laws under the Constitution.

THE REBEL: But he has always had that responsibility.

COLBY: And he still does. There is now a structure of executive approval of CIA operations; it used to be informal, because the consensus was informal. If you look back to the late 1940s, one of the CIA's first directives, which came from a commission that was appointed by President Truman, to give it its marching orders, was to go out and "be more ruthless" than its adversaries. Now, if you'd submitted that for ratification to the American people in 1948 or '49, they would have said yes, sure, if we're going to have an intelligence service, it has to be more ruthless than the others. It has to do its job. That's what an intelligence service is supposed to do, isn't it?

THE REBEL: Do you think, perhaps, that those early administrators, including the presidents, failed to see where that might lead?

COLBY: Well, the investigations by the Senate in 1975 came to the conclusion that the CIA was never really out of control. That, if anything, it was too closely controlled by our presidents. You can find references to the potential assassination of Castro in White House committee meetings from those days. The theory was that you tried to *protect* the President from responsibility for such a decision. It was the so-called plausible-denial system, unhappily unworkable. Today it's very clear that the work the CIA does must be approved by the president. Secondly, we now have the two committees of the Congress, which have demonstrated that they can keep secrets and exert independent judgment as to whether they agree or don't agree to what's going on. The debate

over what the CIA is doing in Nicaragua is a clear example of one in which at least part of the Congress disagrees. But Congress can only work if the two houses speak. That's the way the Constitution works. In this situation, you have the House, which says the CIA should not be helping the *contras,* and the Senate, which has not taken that stance. Therefore, Congress has not spoken.

THE REBEL: So until Congress says otherwise, the President's directives involving the use of the CIA in Nicaragua will continue to hold.

COLBY: That's the way the law reads today.

THE REBEL: The *letter* of the law.

COLBY: No, no. The concept of the law, the way the law reads, and is meant to read. When Congress wrote that law, they discussed whether its committees would have to approve as well, and nobody on the Hill wanted to do that. They just wanted to be informed. Now if they're informed, they can take the initiative of disapproval, but they're not as closely responsible for the action as if they actually formally approved it. But I think, in essence, in a real political sense, they have approved it by *not* objecting to it.

THE REBEL: When you talked about the situation in Nicaragua, do you think that the CIA's doctrinaire anti-communism–lumping all of Somoza's opposition into a leftist category—may have adversely affected our policy in that country?

COLBY: I don't think we did lump them all into the leftist category. Not by a long shot. Indeed, the Carter Administration's position on Nicaragua certainly did not consider that there were only leftists against them. I think the accusation that the CIA sees Red all the time is just not accurate. I mean, they try to come up with a reasonable appreciation of what's really going on. But when people make no secret of their hostility to the United States, I don't think you can say, "It's just verbiage, it doesn't count." I mean, it *does* count. Let's face it, there are a lot of people around the world—the Ayatollah Khomeini, who calls us the great Satan; the Soviet Union, who calls us the main enemy; and some others like Mr. Qaddafi—who feel very negative about us.

THE REBEL: It's been said that the foreign policy of the Reagan Administration is predicated on a good guy/bad guy view of the world. Don't you think that promotes the same kind of stance on the other side?

COLBY: The problem is that there are people on the *Soviet* side who have the black hat/white hat view of the world.

THE REBEL: Do you share Reagan's implacable hostility toward the Russians?

COLBY: It's not a question of our hostility toward them. The Soviets have a philosophy which says that they are encircled. Someone has said that the Soviet Union is the only country surrounded by hostile Communist powers: Poland, Afghanistan, China, to name a few. They also feel they have an ideological mission to reform the world in their image and to establish the Soviets as the leading power in the world. I don't take them all that seriously, frankly, because I think they have limitations in their abilities, and they know that as well. But they're not subtle about their mission in the world–or about their hostility to us. All you have to do is read their material.

THE REBEL: Does the CIA view the left everywhere in the world as a threat to the interests of the U.S.?

COLBY: Anybody who says he's your enemy, I think is worth listening to.

THE REBEL: Is that why the CIA began spying on leftist organizations within the United States?

COLBY: If you look at the record, those were very minor transgressions. They were trangressions, don't get me wrong; I'm not saying that they were all right. But "mail opening" sounds like the CIA was reading everybody's mail. When you get down to it, you find out it was opening the mail between the Soviet Union and the United States, starting in the period of the atomic spies, when we were very anxious to find out who those agents were in this country. We were hoping to get the microdots and things like that out of the mail. But it went on too long. It was a bureaucratic kind of thing.

THE REBEL: What about the CIA's underwriting of the National Student Organization in the '50s and '60s?

COLBY: If you look at the specifics of that one, what happened was that you had a massive effort by the Soviets to capture the youth and student movement internationally. The question was whether the democratic forces in the world could have a counter-spokesman, and we thought we should. You go to other countries and you find fairly active and even well-organized national student movements, and in the United States you didn't. You had a very thin one.

THE REBEL: The question is whether the CIA has the *right* to intervene domestically.

COLBY: The FBI couldn't do it. The FBI is not a political tool. It's intended to be a police organization. As they will tell you, they are not engaged in political operations.

THE REBEL: Then you see the CIA as a political tool of the administration in power?

COLBY: The CIA has the capability of conducting clandestine political and paramilitary operations abroad. It's right in its charter. The CIA's support to the National Student Organization was for its activities abroad, not for its activities in the United States.

THE REBEL: And yet that support was given domestically as well.

COLBY: We countersigned for a mortgage on their headquarters or something like that. But the direct funding went purely for operations abroad. You can't do that sort of thing anymore. The rules are clear that the CIA cannot work with foundations and associations of that nature in this country. We have a new directive—one that calls for considerably more supervision. And I happen to approve of that.

THE REBEL: How much information do you think the public should get about CIA operations today?

COLBY: I think the public ought to have an idea of the *kinds* of activities that CIA is involved in. Obviously, the public is going to know about something CIA did that turned out to be a failure, because that's the way we apply our system of government, by looking into failures to make sure they don't happen again. But I do not think that the public really wants to know the names of the agents who agree to work with us on a secret basis and whose safety, protection and welfare depends on the maintenance of that secrecy. I don't think the public wants to know some of the unique possibilities we may have developed for access into some of the private affairs of the Soviet Union or some other country that keeps a great deal of its activities very secret and which can be threatening to the United States.

THE REBEL: Much information about CIA activities has come to light as a result of public or press access under the Freedom of Information Act. Do you feel that the FOIA has hurt the Agency's intelligence capabilities?

COLBY: I think it has hurt our intelligence capabilities in two aspects. First, foreigners who would work with us are frightened by the idea of a Freedom of Information Act. They get very concerned about whether the secrecy of their relationship with us can remain secret. As you journalists learned a long time ago, you have to protect your sources or you won't *have* any sources. So the FOIA is a disincentive, if you will, to collaboration with us on a secret basis. Secondly, there is always the chance of error in the application of the rules. The law says that there are certain clauses, foreign relations, defense matters, that do not have to be revealed. But the problem is in the *application* of this. You look at a piece of paper five years old, and it looks fairly innocuous. So you let it go, and suddenly it becomes the key to filling a jigsaw puzzle that somebody else had been working very hard to solve for years.

THE REBEL: Who do you mean by

"somebody else"?

COLBY: Somebody hostile to us. Some foreign country.

THE REBEL: So you're saying sometimes it's hard to tell what information might be valuable to the other side.

COLBY: Yes. Under the law today, if the CIA receives a request postmarked Moscow, we must go and look up the material and determine whether it should be released in response to that request. There is no requirement that the requestor be a citizen of the United States, which is absolute nonsense. There is at present a recommendation in the Congress that the operational files of CIA do not have to be examined in response to a Freedom of Information Act request. I would like to see that recommendation adopted.

THE REBEL: Who outside of the CIA *would* have access to those files?

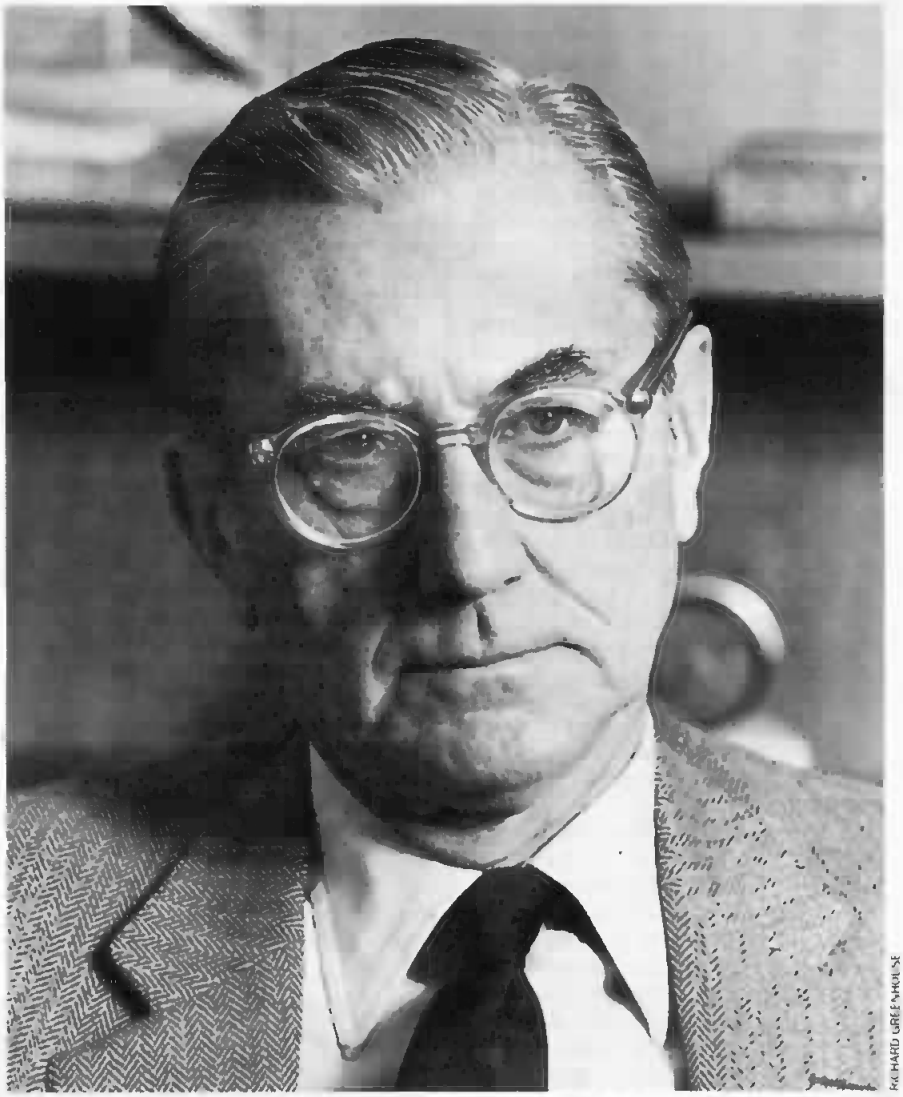
COLBY: The President, through the National Security Council, would have access to any information that he wants. The two committees of the Congress—one in the Senate, one in the House—would also have a full right to ask about the operational activities of CIA.

THE REBEL: Among these secret CIA activities you apparently want to keep secret from the public are the use of "disinformation" and the destabilization of regimes abroad. Are these activities inherent in the role of a major power's intelligence agency?

COLBY: I'd like to catch you on two key words there, because they're very dramatic words. The first is "destabilization." That word was originally put in my mouth by Congressman Michael Harrington, who said that's what *I* said CIA had done in Chile. Unfortunately, the record is that I did not say that at all. His attribution of that phrase to me is absolutely erroneous. And yet it's a dramatic word. It has a certain life of its own. The second is the word "disinformation," which basically is a Soviet word; it comes out of the Soviet experience of doing their kind of work, not the American experience. It is really incorrect to attribute it to the American intelligence system. To get to your question, though, the answer is no. You don't have to conduct destabilization, disinformation or any other kind of operation to influence people's attitudes, minds and activities abroad–unless your government determines that you should do so.

THE REBEL: That's a big "if" clause.

COLBY: We're not talking about what the intelligence agencies do, we're talking about what governments *ask* them to do. Now you might ask, is it inherent, then, in the system of the President that *he* do disinformation and destabilization? And the answer is no. He will determine what he thinks is the right policy to solve the particular problem that he faces. It may be that among the tools he wants to use is the possibility of influencing some situation in a very quiet way, without overt involvement, through our secret intelligence techniques, and not by sending in the Marines. That is an option available to him in some situations.



RICHARD GREENHOUSE

"We're not talking about what the intelligence agencies do, we're talking about what governments ask them to do"

THE REBEL: Does it come down to means vs. ends?

COLBY: No. Means and ends both have to be on a moral level.

THE REBEL: You mentioned an accusation by Congressman Harrington that the CIA had attempted to "destabilize" the government of Chile. You didn't use the word "destabilize," but you didn't deny that the CIA was actively involved in efforts to unseat the Allende government.

COLBY: If you look at the facts, you'll find that CIA was involved in Chile from 1963 until 1970, basically supporting center government, center political parties, center trade unions, women's groups, cooperatives and so forth. The CIA program during those years was somewhat similar to its program in Western Europe during the 1950s, of supporting Social Democrats, Christian Democrats, not right-wingers, to try to strengthen them against inroads from the Communist left. In 1970, three years before the coup against Allende, the CIA position was basically to stay out of the elections. One of the results of that decision was that the election was run between Mr. Allende, the candidate at the left, and two gentlemen who competed with him from the center.

Mayor Daley would have told you years ago that if you have a reasonably strong candidate, and you run two candidates against him, you're going to split your vote, and you run the risk that that other candidate will win, by a plurality, not a majority. Which is exactly what happened in 1970. Mr. Allende won the election with a 36% plurality. Now I'm not saying he didn't win the election; he did. But at that point our President got very upset. We found that we had a period of a few weeks during which there was a chance to organize enough political activity to prevent the ratification of that election. Under the Chilean constitution at that point, if you had a plurality, you had to be ratified by the chamber of deputies; if you had a majority you won, and just walked in.

Interview

With direction from the president, CIA did go down and run around for about six weeks, and talked to the right wing and to the military. A whole series of very stupid things happened, and the result of it was that the operation failed. So by the end of 1970, CIA went back to its previous activity of trying to maintain the strength of the Christian Democrats, the Nationalists, some of the free unions, some of the free press, things of that nature. Looking toward the next elections of 1976, we hoped that if they could survive, they would win *that* election.

THE REBEL: That sounds like substantial interference in the domestic affairs of another nation.

COLBY: Yes.

THE REBEL: To void the election of someone you didn't like.

COLBY: To support our *friends*. The fact is that there *are* situations in which countries, and not just the United States, do try to support their friends in another country in an election.

THE REBEL: But whatever you thought about his politics, Allende was the democratic-elected president of a sovereign nation.

COLBY: Let me give my two basic rules of morality for this kind of intervention. One is: Was it for a defensive purpose or was it to direct the affairs of Chile? The fact was that Mr. Allende made no secret of his enthusiasm for the Castro revolution. He had invited Mr. Castro down there, he had developed a base for the training of revolutionaries to go into Argentina, Bolivia, Uruguay, various other areas, and basically said he was going to conduct a major revolution on the South American continent, to develop a hostility against the United States. Therefore I think that our action was more defensive than aggressive. Secondly, there is the question of *means*. We were supporting various center parties, trade unions, women's groups, cooperatives and so forth, to strengthen them and help them to create a free democratic society and not a socialist, programmed, doctrinaire, controlled society.

THE REBEL: The CIA has been accused of complicity in the coup that subsequently toppled Allende. Was it guilty?

COLBY: Our intelligence sources in Chile told us that there was a coup in the making, but we didn't arrange it or direct or participate in it.

THE REBEL: Be that as it may, there have been numerous recent reports that imply intelligence shortcomings in Lebanon, Grenada, embassy bombings and so forth. Why don't we have better information?

COLBY: We can get better information by encouraging our intelligence services to develop the agents and the sources that they need. As far as bombings are concerned, it's a tough intelligence problem, because any good terrorist attack is really limited to a very few people who are in on the plans, and they're very cautious about it and very secretive. It's difficult to get a man who is one of the members of the plot to tell you all about it.

THE REBEL: You recently offered three criteria to govern CIA covert activities abroad: legitimacy, proportionality and moral and political acceptability. Would you define these criteria?

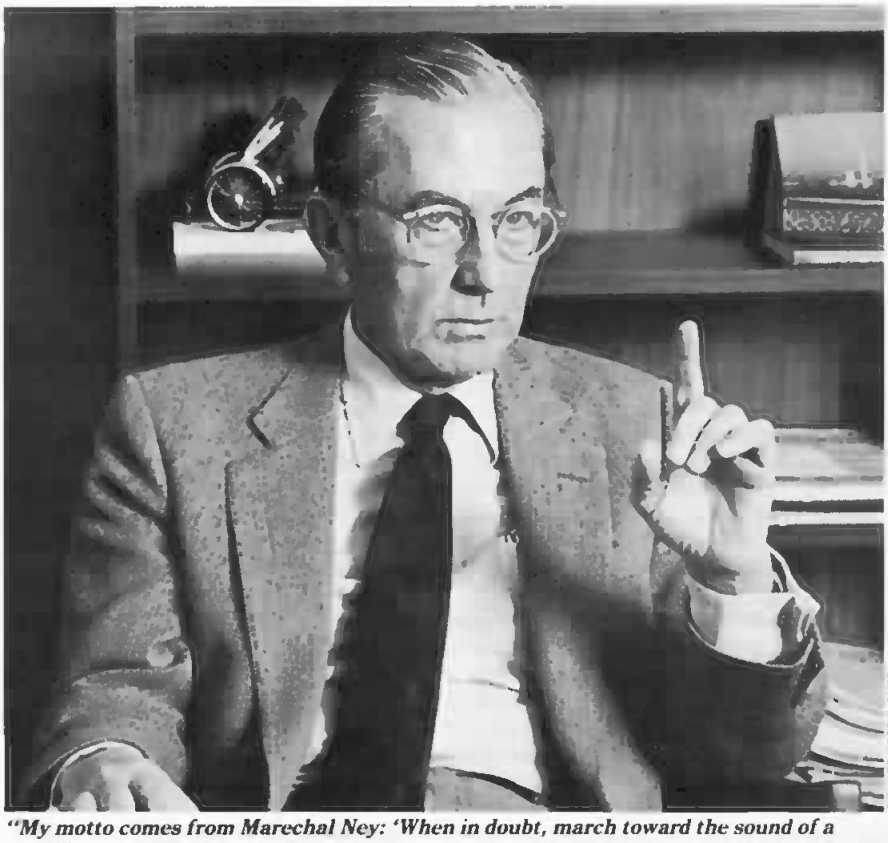
COLBY: Legitimacy means approved by the government under our separation of powers; that means the application of our present system. Proportionality is the risk: Is the gain to be achieved proportionate to the danger? Sometimes it isn't. The third thing, the moral thing, is the old doctrine of a "just" war. That implies two elements. The first is: Is your purpose defense or is it aggressive? Because if it's aggressive, it's immoral; if it's defensive it's moral. You're entitled to defend yourself. You're not entitled to go and beat up other people—that's a basic moral judgement about the ends. What are the ends being sought? You can look back in American history and you can find some that are a little dubious. I think we were aggressive with the Mexicans, for instance—our country stole half of theirs. It was nothing but naked aggression.

The other test of the moral side is the means. The test is again the question of whether the means are proportional to the defensive end being prosecuted or whether they are in excess. It is an excessive means to drop a nuclear weapon on someone who is holding a handgun pointed at you. I think assassination is an excessive means. It's a means we should not have anything to do with. So is torture—and all the other well-articulated crimes against humanity. As far as I'm concerned, things of that nature are unacceptable under any circumstances.

Those are the tests that the church over the centuries has developed for the just war. But there aren't any absolutes here. These are judgmental questions. There are arguments about it. You can even see it in the bishops' recent statement about whether nuclear weapons can be rationalized even in a just war. The basic conclusion of the bishops' statement was that they can't, except maybe for deterrence "if-you're-working-hard-to-eliminate-it." But that's kind of a waffle.

THE REBEL: You yourself have come out in favor of a nuclear freeze. As a veteran "cold warrior" and a former director of the CIA, how do you explain this change of heart, if that's what it is?

COLBY: It's not. I think I'm carrying on exactly the same policy and program that I've spent my life doing, which is to protect the safety and security of the citizens



RICHARD GREENHOUSE

"My motto comes from Marechal Ney: 'When in doubt, march toward the sound of a gun' "

of the United States. The fact is that both we and the Soviets have many more nuclear weapons than we need. Both sides, unfortunately, are still producing more of them. We plan to produce several *thousand* more, and the Soviets will certainly do the same. I work the nuclear arms race down to four very simple propositions: First, the weapons are unusable, because of their indiscriminate character and because of the absolute certainty of retaliation. Secondly, the nuclear arms race is unwinnable, because we've had ample cases where we've been slightly ahead and then they've caught up, or they've been slightly ahead and *we've* caught up, and that can go on forever with no benefit. Third, unilateral restraint on our side—and here, I guess, the "cold warrior" does come back—is totally unworkable, because we have tried to restrain ourselves in certain situations, and it has not been reciprocated. On the other hand, if you make a mutual arrangement with the Soviets, our experience is that they will pretty much abide by something that is fairly precise and has its own enforcement machinery. The fourth proposition is that the world that we're headed into is quite simply unlivable with these weapons.

THE REBEL: Do you think the Senate made an error in not ratifying the SALT II treaty?

COLBY: Yes. A terrible error, I think. The questions about verification played a role in it, but I argued at the time that our intelligence system is perfectly adequate to monitor SALT II. The Joint Chiefs of Staff said it was, too. There was some concern, though, that we had lost our Iranian missile sites, and this might make us vulnerable. I pointed out very clearly that we're going to cover Soviet weaponry whether there's a treaty between us or not. If we lose a certain site, we're going to replace it, because we have to know that information. We have to know what kinds of weapons systems, the numbers of them and all the rest, that the Soviets are developing. There's no difference in our intelligence responsibilities under a treaty or not under a treaty. It's just that a treaty makes the whole thing a lot easier. There are a lot of provisions in that treaty that facilitate the monitoring process and make it much more effective and much easier, and therefore, SALT II was clearly verifiable, and I think still is.

THE REBEL: Do you link a nuclear freeze with general disarmament?

COLBY: No. All a nuclear freeze says is: Let's stop building nuclear weapons. We've got enough of them. We've got too many of them. They're dangerous. One of the real faults of SALT I and SALT II and the present planning for a "build-down" or "midgetman" is that each one of these agreements allows you to build more weapons, which is really an absurdity. It may limit the total number, but you still build new ones. And the new ones turn out to be even more dangerous than the old ones, as the MIRV did.

THE REBEL: Would a freeze have stopped the MIRV?

COLBY: Yes. And a freeze today would stop the B-1 bomber, it would stop the new Trident missile, it would stop the MX, it would stop the Cruise missile. Sounds bad. All ours. But if you look on the other side, it would stop the Blackjack bomber, it would stop the new SS-24, it would stop the new Soviet cruise missiles. If we don't have this kind of an agreement, in about 10 years we're going to have a big debate in this country as to whether we're going to need a massive air defense system to protect us against a Soviet cruise missile armada, which will have been built up in the next 10 years. And it's sure to happen.

THE REBEL: On the domestic level, you have also come out in support of gun control. Could you explain what motivated this decision?

COLBY: It's quite simple: We lose something like 25,000 people a year to handguns. About half of those are accidents and half are suicides and crimes, murders and things like that. That's an enormous toll of American citizens, aside from the wounded, which is not covered in that statistic.

THE REBEL: It's been said that your support of a nuclear freeze and domestic gun control is the result of a spiritual reappraisal of some kind.

COLBY: That's what the newspaper articles say—that I've had some change of conscience or something. But no, it's a straight-line set of reasoning. The value of intelligence today, as I see it, is to enable us to solve problems without killing each other. That's what intelligence is all about. The best use of intelligence is to prevent us from killing each other with nuclear weapons, which can not only destroy individuals and even cities, but all of humanity.

THE REBEL: Do you think others now active in the intelligence community privately share your position on nuclear arms and gun control?

COLBY: Well, certainly on nuclear arms, I think there are a lot of CIA people who believe that the function of intelligence is to help us make and monitor agreements to control these terrible weapons and to substitute our wisdom and intelligence for a macho waving of these terrible weapons at each other.

THE REBEL: Do you have any regrets about the role you performed as head of the CIA?

COLBY: Regrets? No. Obviously there were some things I would have liked to have done better during my time at CIA, and there were some things that were unfinished when I left, but that's normal in any situation. I had some ideas about improving the analytical process, Bill Casey has made some changes to move in that direction, and I think he's doing a very fine job.

THE REBEL: Are there any changes at the agency under Casey that you find particularly encouraging?

COLBY: I think the encouraging thing is the revival of a feeling in the American people that we need a good intelligence system, and that it needs some support. We shouldn't boot it around every morning before breakfast and expect it to do its job. We shouldn't expose its secrets and expect it to conduct its activities effectively. But I differ from some of my colleagues who would like to think that the CIA might be outside of the constitutional machinery. I think that the present relationship with Mr. Casey's management and the activities of the congressional committees, and the tensions that exist between them, are perfectly normal and natural. That's the kind of system that we Americans want.

THE REBEL: Do you think the close ties between Casey and President Reagan help or hinder the effectiveness of the Agency?

COLBY: They help a great deal, because they make the Agency more responsive to the needs of the President, to the needs of the Administration. I basically think that the head of the CIA should be politically appointed by the President so that he will have that kind of relationship. The CIA should not be a separate career service conducting its own affairs off to the corner.

THE REBEL: You've been likened by some observers to a real-life George Smiley. Do you empathize with fictional espionage characters?

COLBY: Not particularly. I don't read many spy novels. I think I've spent too much time running the real thing. I mean, I'm a little impatient with the contrivances of the James Bond sort of thing. But I must confess, the one who does interest me is Graham Greene, because he focuses on what I think is an important element of it, which is the moral question, about how you decide what you should and should not do.

THE REBEL: Do you also relate to Greene because he dealt with Saigon in "The Quiet American"?

COLBY: Well, that wasn't his most successful book. I thought he was a little pretentious in that. But it's fair enough, because what he dealt with on the Saigon thing was the over-enthusiasm of the innocent and the immature approach to a problem. And that *is* a problem: When you overly emote about a problem, you can make worse mistakes than if you are a little more serious, a little more analytical.

THE REBEL: As Talleyrand said, "Above all, do not be too over-zealous." Would that be your motto?

COLBY: No. My motto comes from Marechal Ney: "When in doubt, march toward the sound of a gun." ■

The Resurrection Swastika Comes to Los Angeles

By Peter Lake

The redemtive work of Jesus was finished on the cross. As his divine race, we have been commissioned to fulfill His divine purpose and plans.
(Aryan Nations Information Sheet)

California's newest Grand Dragon Emeritus bent down low over the wet soil and gently touched a Bic lighter to the base of a heavy cross rising 18 feet into the damp night. He carefully lifted the bottom of his red-satin robe so it wouldn't dip into mud from the recent rain. He knew the Exalted Cyclops' wife had gone to great lengths to make the robe in time for the ceremony and he didn't want to stain it. He knew, too, that she took pride in her work because in the collar of the robe she had sewn a small label, "Custom made by Shirley."

The loud, incessant chattering of the police helicopter overhead drowned out conversation and made the long delay seem longer still, but the Grand Dragon patiently waited for the fire to spread upward over the gasoline-soaked burlap. He prayed that from that thumbnail-sized blue flame a bright beacon would reach throughout Los Angeles and attract new warriors to his ministry's cause: turning the United States of America into an all-white-Christian country where his religion would become the law of the land.

Two smaller crosses flanked the center one and while the thirty men loosely surrounding the three crosses looked uneasily upward, shifted impatiently, and hoped the three crosses would soon ignite, the Grand Dragon stayed bent over as the Bic heated up in his hand. For the moment, the only light on the scene burned downwards with millions of candlepower from the xenon arc of the helicopter. As the chopper slowly surveyed the scene, the shadows of the three crosses danced across the ground in a brilliant blue circle.

The other men too had pledged themselves to the idea of establishing an Aryan church-state and they lived for the day when all "mongrels" and Jews—especially Jews—would be purged from American soil, perhaps someday even from the world. And even if some of them didn't think it was possible, all of them thought it desirable.

All the men there except two, that is: Mike Canale, secretly reformed former Nazi, and me, a liberal journalist whom Mike had infiltrated into the Radical Right.

From far up in the Idaho woods, Reverend Richard Butler and two of his lieutenants, Dave Tate and Tom Bentley, had driven a whole day without stopping, just for this occasion. Lighting a ceremonial cross could call forth true Aryan men who lived in Los Angeles, the West Coast's great cesspool of filthy mongrel races. Although first and foremost a neo-Nazi, Butler was honored to be presiding at an official KKK cross-lighting in America's western heartland, the San Fernando Valley. (And please don't even think to call it a "cross-burning" because the idea is not to have the cross consumed, rather to have it illuminated with God's might and power—as manifested through the rapid combustion of kerosene and 91-octane leaded gasoline.)

Several minutes passed while God's spokesman waited for the flames to start rising. The lighter was getting too hot to hold and acting like it might run out of fuel before the cross caught on fire. Also, the sound of the helicopter circling overhead was making everyone nervous. The Los Angeles Police had threatened to make arrests if the crosses were lit and no one wanted to find out if the cops were serious. The thought of going to jail so far from home made the Grand Dragon uneasy, as did the fear that the two dozen Nazis and Klansmen gathered together for that sacred religious rite would be killed or injured by strong-armed stooges of the Jewish power-mongers. The safety of his followers was paramount in his mind. Butler held the lighter closer, but still no flame grew on the cross.

Although festooned in red-satin robes, the Grand Dragon did what any average American man wearing a "come-and-git-it" apron does when the kids are standing around with raw hotdogs on their forks watching dad struggle with the charcoal grill—he just looked sheepishly to the side for help, wondering what to do next.

As one of his newest recruits, I wondered if I should go to his aid. I never have trouble with Weber grills or fireplaces. But, as a secret infiltrator into his army of bigotry and racism, I was content to stand close and video-tape the event for people to see in the comfort of their living rooms. What would happen would happen without my intervention or instigation. No one could say I helped. If he drew comfort from my presence, then I had done my job well, for as much as I valued my life and safety, I did not dare betray my mission: to seek hidden truths—if they existed—among public statements that seemed at times to be insane, sometimes impossible to follow, and always guaranteed to infuriate public sensibility.

Of course, this wasn't some average, light-the-cross and hang-the-nigger Klansman. The Reverend Richard G. Butler, pastor of the Church of Jesus Christ Christian, was not just any old white racist. He is one of the foremost, best-known white supremacists in the world. His politics careen so far right they go right off the chart—far beyond anything propounded by conservatives ("Reagan sells out to the Jews and Russians, who are the same thing, anyway") and his religion puts the Moral Majority ("Fairy Falwell") into the camp of "kike-bankers."

No, sir, those old-time "Birth of A Nation" reconstruction Klansmen are just figments of popular fiction. Simple racial prejudice against Negroes doesn't cut it anymore on the Radical Right. That tar and feather stuff—messy anyhow—and the notion of colored folk wanting to rape white women has become old hat, just one small serpent in the new racist-hydra's huge head. Heck, raping a white woman is nothing compared to what the Jews are doing every day. They're raping the whole world! (And, most especially, the United States.)

Pastor Butler, as his flock affectionately calls him, firmly but gently heads one of the hardest-core white supremacist churches in the country, Aryan Nations. And as the spiritual leader of a unique brand of neo-Nazis he can also be the warm friend to members of other, like-minded groups such as the Klan without worrying about the petty bickering and infighting that pervades so many factions of the Radical Right.

With the introduction and personal presence of Mike Canale, synagogue arsonist, ex-con, and Nazi commander, I had recently travelled to Hayden Lake, Idaho,

MIKE SERGIEFF

KKK "Exalted Cyclops" Frank Silva among charred crosses in San Fernando Valley

to meet the pastor at his guarded camp.

While at Hayden Lake, Mike and I were joined by Frank Silva, Exalted Cyclops of the New Order, Knights of the Ku Klux Klan, who invited the pastor to help "consecrate" a little piece of Southern California for the beleaguered white man. The specific occasion was to honor the memory of Paul Verna, a Los Angeles Police officer shot in the back ("What else would you expect?") by a black man while making a routine traffic stop. Naturally the L.A.P.D. did not approve of the consecration, preferring instead to think of it as "desecration." Each to his own.

But while the five black stripes on the cuffs of Butler's red robe suggested that he ought to have some special power to set that cross going *right now*, some subaltern had short-changed on the gasoline—or obtained low lead. Sparks of lightning should have shot out of the Pastor's fingers and set that whole 18-footer burning all at once, but Butler just kept waiting for blazing burlap to start roasting in the night. Every now and then the Bic's flame would go out and the Grand Dragon would relight it, but the cross just wouldn't start. Except for the multi-million candles shining from the cop copter, it seemed little was likely to happen.

I shivered in the damp darkness, silently cursing the old man for not using a huge flaming torch like Rhett Butler (you didn't know?) used down south. David O. Selznick left off the Klan robes in the movie, but Rhett and his friends were hard-core Klansmen who would never think of lighting a cross with a Bic. But this was December 1983, not some Hollywood movie; real-life Klansmen were wearing real robes, real hoods, and real masks (fastened on the side with Velcro) and it looked like they were spoiling tradition.

Frank Silva, the Exalted Cyclops, (black-satin, four stripes) was having his troubles, too. He had started out holding a stick with a feebly-burning rag wrapped around it up to his cross, a slightly smaller one to the right of Butler's. On the other side of the Honorary G.D., Klansman (in mufti) Randy Evans finally managed after half-a-minute to get his cross lit. At last. Together, the two plenipotentiaries came to the aid of Pastor Butler and three blazing crosses quickly erupted in the land of Valley Girls. Nazis and Klansmen broke into cheers. I kept my video camera going, the official Aryan Nations photographer.

Because he was on parole for having torched a synagogue, Mike decided not to wait for the police. In the argot of the underground, he took it on the lam. Good timing.

Being in Los Angeles, the L.A. police wasted no time descending on the assembled faithful just as soon as the crosses were lit and Klan tradition had been restored. Arrest was almost a relief compared to the mental strain Mike and I had endured trying to penetrate the Aryan Nations Church, however.

The present world problems are a result of our disobedience to God's laws.

We were crazy, Mike and I, to try to infiltrate Aryan Nations as though it was some girl scout camp across the lake. Everyone told us these neo-Nazis were certifiable lunatics, mutant descendants of normal people whose plane had crashed among prehistoric swamp creatures and were now living in The Land That Time Forgot.

"Without me, they'd spot you in a second and bury you in the woods somewhere," Mike said. There were lots of woods around Hayden Lake, Idaho. Nothing but woods, in fact. "For one thing, you

ask too many questions. And for another, you look too professonal with those cameras. Let me take the pictures with my little 110. They're probably going to kill me anyway, so what difference does it make? You might survive."

I didn't need Mike's paranoia by the time we got to the front gate. From the time when Roy Mansker and Tom Bentley had picked us up at the plane, my own brain had been throbbing with the possibility of never seeing Los Angeles again. The long interrogation in the car about CBS's (KNXT's) simultaneous arrival had left me undone. KNXT had wanted to tape us inside so we would have a simultaneous record of the events there.

Roy, 70, had been showing us courtesy and hospitality, but something about him worried me. "I wouldn't think twice about blowing the right person away. I wouldn't feel a thing. I would have a few years ago, but not now," he said. "The 'right thing' is a Jew, a nigger, or most of all, a race traitor." He then showed Mike his .38 revolver. Mike and I, race traitors both, admired the gun. We drove on through the Idaho countryside.

"It's sure great up here," Mike said. "I can't wait to show the guys back home some pictures of the place so they'll come up here." I wanted to be able to show pictures back home, too.

The Aryan Nations gate must have been built after the designer saw a war movie where a fleeing couple crosses the border just as a phone call comes through from the SS to arrest them. While one guard lifts the wooden barrier, the officer in charge talks on the phone, gets the word, then runs outside to pursue the couple into freedom-loving Switzerland. Mike and I were coming at the wooden gate the wrong way, however. Instead of escaping into freedom, we were checking in to Naziland. ("If you liked Auschwitz, you'll feel right at home here," I thought a sign should say.)

What the sign at the Aryan Nations gate did say was "WHITES ONLY"; It seemed like it better belonged in the twilight zone--a relic of segregated buses and all-white drinking fountains--abominations not present for at least twenty years in this country. I had seen enough "White Only" signs in South Africa to last me my lifetime because I had also experienced what goes along with public policy that treats some people as racial inferiors.

One day while driving on the outskirts of Durban, I lost my way. To get directions from two old black men walking beside the road, I pulled over to the curb near them. They saw me stop and hobbled as fast as they could to my car. One of them pulled out a pack of matches and said, "Yes, master. May I light your cigarette, master?" To have that man call me "master" thoroughly humiliated me. Just by looking at me, he had lumped me with all his South African white oppressors. My skin color had enslaved me in shame just as surely as his own skin color had enslaved him in a life of wretchedness and poverty. The slave, at least, may preserve his dignity, but the slavemaster cannot. If one must choose, in Marxist terms, between being "the oppressor and the oppressed," one has very little choice indeed. Freedom for all people and equality for all races are the only choices that do not wound the human spirit and affront the dignity of people everywhere.

Mike Cahale in Aryan Hall, Hayden Lake, Idaho

None of that mattered then, however; the damage to those men and to their race had gone too far for one bleeding-heart to undo. When I told the two old men I was not their master, no shred of understanding passed through their heads. Ideas of dignity and equality had never been able to find fertile ground in their hard, impoverished lives. At Aryan Nations I would be told that the reason such blacks could not possess notions of freedom and equality was because they were *not* equal according to the laws of God and nature, no better really than animals, and therefore unable and unworthy to attain the stature of fully-deserving human beings. Further, I ought to be proud that I was Aryan and therefore superior to such beasts. That was the Big Lesson for Mike and me to keep in mind as we entered the grounds. We felt our lives depended on remembering and being able to parrot the Big Lesson.

Once we were inside and the gate had shut behind us, we saw another sign, "WELCOME BRETHEREN."

The Bible is the family history of the White Race, the children of Yahweh placed here through the seedline of Adam. . . .
Adam-man of Genesis was the placing of the White Race upon this earth . . . Adam is the father of the White Race only. The true literal children of the Bible are the 12 tribes of Israel . . . now known as the Anglo-Saxon, Celtic, Scandinavian, Teutonic people.

Mike and I were directed to a small trailer, where we joined Frank Silva and Randy Evans, Klansmen from Los Angeles. They had driven non-stop (and drug-free) 24 hours from Los Angeles. For some reason, they were particularly eager to make the pilgrimage to Aryan Nations when Mike and I were there. "They're probably going to get us up there and kill us," Mike said. Frank had never been there before, but Randy's in-laws lived nearby and he knew the area well.

As soon as we arrived in the trailer, I opened my suitcase, loaded two of my .45 automatics, and felt secure for the first time in hours. Frank asked to see one of the guns and, finding the workmanship and the trigger out of the ordinary, asked if he could wear the gun while at Aryan Nations.

Paranoia being the staple of the Radical Right, he fully believed that our presence there might incite the JDL or the Feds to launch a full-scale assault. Randy checked out his .357 magnum. I loaned Frank my gun, then secreted a third .45 in my belt. After all, I had every reason to be paranoid. Someone was indeed after Mike and me—or would be after us, if only they knew why we had come to Idaho.

Frank and Randy left us alone, but Mike made a sign for me not to talk. Bugs, of course. He whispered in my ear, "We got to get out of here." The battery in the trailer was dead, so there were no lights. The heater worked poorly and, because of the cold, the toilet facilities were outdoors, except for the toilet in the chapel. And if

those reasons weren't enough, as soon as we ate the food we knew we had to get a motel in town.

Twenty-year-old Kelly, a stocky, smiling sadist, cooks all the meals for the camp. Everything he prepared for us was tough, boiled or baked naked of vitamins, nourishment, and taste. The meat was leathery, the vegetables watery, the deserts unspeakable to look at and unthinkable to eat. Kelly's companion in these crimes of the kitchen was Gino, a thin man about Kelly's age with an unnerving manner of standing a foot too close when he spoke to me. The two of them shared cramped sleeping quarters in the guard-tower, a twenty-eight-foot wooden steeple-like appendage set in the back of Aryan Hall.

"Fruits," Mike called them.

Driving back to the compound one later evening they spoke of their devotion to Pastor Butler. From the back seat I secretly taped their conversation.

Kelly, "The true definition of the word 'hate' (in the Bible) is to 'utterly oppose' . . . so we utterly oppose the Jews. We don't hate them in the vindictive, spiteful, little, sniveling, psycopathic, weird, fucked-up-in-the-mind way that people think of the word 'hate.' They changed the word 'hate' to mean 'suffering from psychosis' . . . So we hate the Jews in the Biblical sense of the word—we utterly oppose them. The only thing we might hate—and I personally don't hate them, I utterly oppose them—is race traitors. A race traitor is a person who deliberately, knowingly fucks his race."

Me, "If someone was a traitor to their race, but more specifically to the Pastor?"

Kelly, "That's the one time the Pastor would lose authority over his troops. They'd dismember the mother-fucker. He wouldn't be able to stop them. He wouldn't be able to preach peace to them, he wouldn't be able to talk them into letting the guy alone . . . I can't imagine the wrath that would come upon him."

Me, "That bad?"

Kelly, "A lot of people would go stone-cold kamikaze."

Gino, "I'd do anything."

Kelly, "Kamikaze, man. If the Pastor got killed or anything it would be exactly in my mind like I lost everything in the world. I would no longer have even the small desire to live that I have now. My only desire is to be with my father in heaven . . . I was put here to bring his kingdom to earth . . . to take dominion . . . But if my Pastor is taken away from me, it's time to put my ass on a truckload of dynamite and run into the right place with it . . . I have no direction on my own . . . I know if they killed the Pastor I'd go kamikaze."

Me (after a short pause), "What if they just did some lesser betrayal?"

Kelly, "I was just thinking about the Jews or the Reds. As far as betrayal from somebody within the movement, I'd go kamikaze on them."

Gino, "Heil Hitler! Heil Butler!"

Kelly, "I've never killed anybody. Ever. But it's like a virgin—you've got the equipment, but you ain't never used it. You know basically what it's like, but you don't know exactly what it's like, so I imagine I'd just do a little experimenting. (Laughs.)"

Gino, "I'd kill anybody if they betrayed him. Period."

"Now do you believe me?" Mike asked me when I played the tape for him.

There are literal children of Satan in the world today.

Aryan Hall itself serves as common dining room, ante-room to the chapel, and flag room for the compound. Set into the wall at one end of the hall, a stained-glass window portrays heroic Aryan mythology—mostly variations on the theme of St. George slaying the Jew-Commie dragon. Illustrations depicting variations on the theme appear throughout the hall.

On both sides of the hall hang flags from a dozen "Aryan countries" in western Europe, the British Commonwealth, and Scandinavia, as well as Canada, South Af-

Talk To The Klan, If You Kan

Since Aryan Nations owes much of its breeding to the KKK, it maintains a close alliance with several Klan organizations and publishes the "Inter-Klan Newsletter & Survival Alert." Although Klan lore will be detailed in the next issue, a basic course in what we kould kall "Kluxspeak" should give some insight into what's involved. It's not all robes and cross-lightings, after all.

In what must surely be one of the toughest kodes devised since Pig Latin, the Klan kondukts its sekret business. The big question (kwestion?) must surely be, what do you say after you say "KIGY"? (Perhaps "KYTIE"—"Kan You Talk In English?")

AYAK—"Are You A Klansman?"
AKIA—"A Klansman I Am."
KIGY—"Klansman, I Greet You."
ITSUB—"In The Sacred Unfailing Bond."
SAN BOG—"Strangers Are Near, Be On Guard."
SYM WAO—"Spend Your Money With Americans Only."
MIAFA—"My Interests Are For America."
TSOG—The Sign of Greeting.
TSOK-C—The Sign of Klan Courtesy.
TCOK—The Clasp of Klannishness.
KLASP—Klannish Loyalty to A Sacred Principle (spoken after TCOK).

The Klan has its own nomenklature, as well as a funny way of talking. Next time you're eavesdropping at a K-Mart in Kansas City or Kleveland, see if you hear any of the following terms. The Klan's own ideas of its more obscure word derivations are given in parentheses. Karry on.

Invisible Empire—The whole Ku Klux Klan and its members.
Realm—Subdivision of the Invisible Empire; a state in the U.S.
Dominion—Five or more counties in a Realm.
Province—One to three counties in a Dominion.
Klanton—Jurisdiction of a Klan or den ("canton", small district).
Klorero—Convention of a Realm ("cortro", to speak).
Klonverse—Convention of a Dominion.
Klongress—Convention of a Province.
Kloncave—Secret mission of a local Klan.
Kloran—Ritual and order book of the Klan.
Klavern—The meeting place of a Klan.
Klan—Local unit of the Order.
Den—Meeting place.
Anno Klan—In the Year of the Klan (A.K.) The starting date is 1865, the year the Klan was founded in Tennessee.
Grand Dragon—Klan Chief in a Realm. His staff are called Hydras.
Great Titan—Klan Chief in a Dominion. His staff are Furies.
Giant—Klan Chief in a Province. His staff are Goblins.
Exalted Cyclops—Chief of the Klan in a Klanton. Staff are Terrors.
Klaliff—Vice President to Exalted Cyclops ("bailiff").
Knight-hawk—Courier and chief of security.
Kligrapp—Secretary ("kirographer", one who writes).
Klabee—Treasurer ("kaba", to keep; "kees", Egyptian coin purse).
Kludd—Chaplain ("culdee", Druid high priest).
Klokard—Klankraft teacher (from Kloran and "kard", teacher or reader).
Kladd—Assistant Exalted Cyclops ("kada", to lead).
Klarogo—Inner guard ("caveo", beware; and interrogate).
Klexter—Outer guard.
Klokann—Investigator ("ko", to know; "kannas", with the eyes). The K.B.I. is the Klokann.
Kleagle—Organizer of the order.
Klecktoken—Initiation or "naturalization" fee. This used to be the source of considerable revenue for Kleagles, because they would receive 25% of the ten dollar fee.

rica, and of course the Third Reich. A large, hand-made "Betsy Ross" flag adorns the entrance arch. Only an equally-large Third Reich flag, courtesy of Canadian friends, prevents the casual vistor from thinking it's all a small United Nations display.

(The U.N. itself is thought to be an attempt to have "one-world" government, and you-know-who-by-now gets blamed for that idea.)

The Jew is the adversary of our race and God.

At one end of Aryan Hall sits the kitchen, about which the less said the better, except to note that it was nearly destroyed in 1981 by a good-sized bomb that blew out the walls and wiped out the interior. The JDL receives the blame most often, although disaffected Aryan Nationalist Keith Gilbert, a resident of Hayden Lake and a rival of Butler's, seems the more likely candidate.

The chapel itself looks not much different from a church basement-recreation room. Fluorescent lights, tile floor, institutional wood and steel chairs, piano, bad acoustics. At the head of the room stands a raised platform with a speaker's podium center-stage. A simple altar supports a crudely-crafted, heavily-weighted double-edged sword. The massive handle bears two swastikas on either side of the hilt. Above the altar a stained glass window made into the Aryan Nations symbol frames Pastor Butler when he delivers his sermons.

As in Hitler's Germany, heraldry and mythology play a large part in neo-Nazi culture. The AN symbol frames a shield with a sword, crown, and "Resurrection Cross," best described as a letter "Z" on its side, and representing a newly revived (and improved) swastika. The old swastika's arms went the wrong way—the direction of the setting sun. The Resurrection Cross corrects that unfortunate error and points the way to a new era.

We walked outside to greet the rest of the Aryan Warriors. Most especially, I wanted to meet Pastor Butler, the man perhaps best able to unite all the Klan, Nazi, and "Patriotic" organizations under one flag—Aryan Nations.

"You be careful with him," Mike said. "He's not like some of those other assholes. He's sharp and he'll smell you right out if you say the wrong thing."

Mike, as usual, was right.

His lackluster performance on ABC's "Nightline" lends few clues to the personal magnetism of Richard G. Butler. A tall, trim man of sixty-five, he fully practices the common vice of Nazis—massive cigarette consumption.

He greeted us warmly and invited us into his comfortable, two-story clapboard house. The friendly darkness of his living room was welcome protection against the freezing temperatures and primitive conditions of our trailer quarters. Two televisions, a video recorder, and a wall covered by framed photographs of his smiling family faced the pastor in his deep, leather chair. Beside him, a wood-burning stove radiated a glow no less cheerful than his own happiness at the prospect of having admirers come so far to see him. Over the fireplace hung a portrait of the Four horses of the Apocalypse, snorting and breathing Famine, Death, Disease, and Pestilence. They had no riders.

"There's the pale horse of Death, the black horse of War," the Pastor said, pointing. "Famine . . ." He couldn't name them. "See the one with the bit broken? That's the one we have to conquer. We broke the law . . . the horse broke the reins of the law, then ran free."

Butler sat down in his easy chair as the room filled up with his friends. Children

"Who's right?"

The Radical Right today consists of about a dozen important organizations, roughly divisible into three major groups—Nazis, Ku Klux Klan, and hybrid, anti-establishment, Bible-based survivalist organizations. All the groups interlock and overlap one another, with the Identity Church Movement providing a common bond of ideology and doctrine, even for non-religious followers.

Wherever you look in the Radical Right, things are not what they seem to be. For example, there is no single Ku Klux Klan, no unified Nazi cadre, and no dominant ecclesiatical leader. (Jerry Falwell is as reviled by the Radical Right as he is by critics on the left, although for different reasons. The same is true of President Reagan.)

The KKK consists of three major Klans: Invisible Empire, Knights of the KKK (headquarters in Louisiana); Knights of the KKK (Louisiana and Alabama); United Klans of America (Alabama), and several smaller factions, most notably the New Order, Knights of the KKK (Georgia). States with active unaffiliated klans inlude Texas, California, North and South Carolina, Tennessee, New Jersey, Pennsylvania, Ohio, Michigan, Nevada, Colorado, Missouri, Kansas, Arkansas, Montana, Idaho, Washington, and probably a few more. Although the Klans report membership as having been as high as 200,000 up to 1970, their combined strength now probably falls below 8000 active members. Klan activity in the military—Army, Navy, and Marine Corps—gained public attention in the late seventies, but the ensuing embarassment to the government led to crackdowns and punishments. For now, at least, khaki KKK remains invisible.

The Anti-Defamation League of B'nai B'rith (ADL) claims the Klan has over 100,000 active sympathizers and cites a 1979 Gallup Poll as saying that 13 percent of Americans look very favorably on the KKK. Every Radical Right group looks upon the ADL as the most particularly hateful and deceitful foe that Satan could have invented. (Not surprisingly, the ADL returns the compliment.) ADL offices in 29 American and three foreign cities keep extensive files on every Radical Right organization and leader, lobby for sanctions against anti-Semitic activities, and distribute educational materials to increase public awareness of what it sees as a real and present danger to Jews everywhere. The Radical Right has every intention of remaining a threat to Jews everywhere.

Neo-Hitlerites seldom make the headlines as they did when George Lincoln Rockwell lived, although their capacity to shock public sensibility remains undiminished. The National Socialist Party of America; National Socialist White Worker's Party; National Socialist White People's Party; National Socialist Liberation Front; and National Alliance compose the major "official Nazi" organizations. (If it has the word "National" in the title and you're not sure what it's for, suspect the Nazis.) The National Socialist League and the National Socialist Movement, for example, are two of the smaller Nazi organizations; The NSL enjoys the distincition of being composed of West Coast homosexuals—"Gay Nazis." (They hiss at bitchy Jews, no doubt.)

Among the hybrids the Posse Comitatus became best-known when 63-year-old Posse member Gordon Kahl killed two federal marshalls last February in North Dakota, then killed another lawman in Arkansas while he did his own impression of the last hours of the Alamo. Kahl has now become a genuine martyr to the Radical Right. Pamphlets and tapes tell his story, his son Yorie stands convicted of murder, and Kahl's example of miltant tax resistance may well inspire others to follow his example. He was an Identity Church member and left his own account of the Dakota ambush, "I ran around toward the side of the vehicle, firing at the door as I went to keep him down until I got far enough to get a clear shot at him, at which time I knew he was out of the fight also." Scratch one U.S. marshal.

Kahl explained how bad he felt about killing the lawmen, but, "We are a conquered and occupied nation, conquered and occupied by the Jews and their hundreds, or maybe thousands, of front orga-

came and went, people passed in and out. The peace and safety in the room was intoxicating. No harm would come to Mike and me there, I was certain. There would be no plots launched against us as long as we stayed put.

"All power of the government resides within us," Pastor Butler began. "It still resides within us. But we've delegated our power over to the anti-Christ and are feeling the power of the whip." He said it all so softly and easily, he could have been Alistair Cooke talking about a British soap opera.

"Was it the Egyptians who laid the whip on the backs of the Israelites? No—it was other Israelites. An IRS or an FBI agent . . . is the taskmaster. Of course, we've got Egypt here in Washington, D.C. When Jesus Christ said, 'Your enemies shall be of your own household', he wasn't kidding. Our enemies were of our own household in World War I and II."

His voice became soft and sad, almost wistful. "World War II ends and immediately you have the fall of the white Aryan male from power." (Forget about power, ladies, in the Aryan Nation. You never had it, you'll never get it. Save your energy for cooking and baby-making.)

"You have the '54 Supreme Court decision [Brown vs. Board of Education] only nine years after the fall of Germany . . . The hardest thing is for our people to comprehend, *we* are the problem. All we have to do is return back to the law."

He talked at ease for a couple of hours. Not being able to take notes or make recordings, I was afraid that every pearl of wisdom from his mouth would fall and be lost forever. I needn't have worried. Everything he said was endlessly repeated in dozens of variations. As well, everything was printed in dozens of different booklets, tracts, and reminder sheets—an absolute avalanche of single-minded obsession. It became easy to sit back and let the sound of his voice go right through my head without touching the insides. He always showed great dignity and unfailing courtesy. Genuinly likable. I remembered Albert Speer's remark about Hitler, "One seldom recognizes the devil when he is putting his hand on your shoulder." Richard Butler hardly fit an image of the devil.

As appreciation of his hospitality to Mike and me, I gave Pastor Butler a pin I bought in my local Nazi store. Struck in commemoration of the reunification of the Saar with Germany in 1934, it portrayed two hands grasping. He thanked me by taking my hand in both of his.

Mike and I froze our butts off that night in the trailer, guns closely kept at hand. Frank and Randy shared the small space in the trailer with us, happy comrades. The next day, Gino loaned us his car so we could get a motel room, but Mike and I avoided talking en route, thinking the car might have been bugged. The defroster didn't even work, but such was our fear of being found out to be "race traitors" that once again, paranoia prevailed.

"Nice up here, isn't it?" Mike said loudly. "I can't wait to show the guys back home how great it is."

"Great," I said. "I'll be glad to tell them myself."

"I sure hope they let us take the oath so we can join Aryan Nations," he said.

"I'll just die if they don't let us," I said.

There is a day of reckoning. The usurper will be thrown out by the terrible might of Yahweh's people as they return to their roots and their special destiny. ■

(to be continued)

South American Indians once tried to assassinate Peter Lake after he parachuted into an unexplored region of the Andes.

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nizations doing their ungodly work. They have two objectives in their goal of ruling the world: Destroy Christianity and the White race. . . . If you've been paying tithes to the synagogue of Satan under the second plank of the 'Communist Manifesto' to finance your own destruction, stop right now and tell Satan's tithing collectors, as I did many years ago, "Never again will I give aid and comfort to the enemies of Christ."

Besides the Posse, the two most militant organizations—although little known to the public—are The Covenant, The Sword, and the Arm of the Lord (Missouri); and the Christian-Patriots Defense League (Illinois). The C.S.A. (just like the Confederate States of America, right?) operates a secluded 224-acre survivalist communal settlement called Zarephath-Horeb near the Arkansas-Missouri border. "God spoke to me," says 43 year-old leader Jim Ellison. What he said was on the same recording he played for every other Identity Christian, "Jews of today are not God's chosen people, but are in fact an antichrist race, whose purpose is to destroy God's people and Christianity through its Talmudic teachings, forced inter-racial mixings, and perversions."

The CPDL and its subsidiaries—the Save America Gun Club, Women's Survival Corps, Paul Revere Club—all emanate from the Mt. Vernon look-alike home of John R. Harrell, a formerly wealthy mausoleum salesman in his sixties who did four years of hard time for harboring a deserter. Harrell may well have the smoothest public appeal of any neo-Nazi. Well-organized and well-financed, the CPDL somehow manages to soft-pedal the Jewish issue just a bit more than other like-minded Rightists, "These organizations are . . . all oriented toward one basic goal—that of a free America and the total destruction of International Communism, along with the forces and powers behind it (of which many are not aware)—regardless of cost or consequences, and by whatever means required or necessary."

That one statement alone ranks Harrell in the pantheon of P.R. greats like Joseph Goebbels. What he means, in case you missed it is, "We're going to wipe out the Commies and their Jew-Zionist conspirators (you didn't know?) and God will help us stick hot pokers up the asses of anybody who doesn't like it." Better than Goebbels, even, because fighting the Commies is just what the government tells us we're supposed to do. Later on, it's revealed that White Christians are the Chosen People and the Jews are the Children of Satan. Considering the other literature of the Radical Right, that of the CPDL is a model of restraint. Harrell claims to have done a lot of talking with—Guess Who?—also.

One other organization bears scrutiny, Liberty Lobby, the best-financed group of all. Founded over 20 years ago by Willis Carto, it has through the years enjoyed the support of dozens of members of Congress, including the late Larry McDonald. Publisher of *The Spotlight* weekly newspaper (circ. 250,000), Carto became the arch-nemesis of Jews in 1979 when he founded the Institute for Historical Review, a revisionist "research organization" built around the premise that the Nazis never killed millions of Jews. Carto has merely tried to legitimize what every other Identity believer asserts: the Holocaust is a Jewish lie designed to garner sympathy for world Zionism.

After a while, following the Radical Right becomes as simple as watching football. No matter who's playing—pros, college, high school—the ball, the field, and the goalposts all look alike. (Just remember God's message in Genesis that White Christians are the true Israelites and that the Commies and the U.S. government are stooges who dance to the Horah as played by Rockefellers, Kissinger, and the Jew-controlled media. O yes, and they will get theirs soon enough, at which time we will take ours.) Only the sizes and skills of the players and the colors of the uniforms vary. The referees are played by the Jewish Defense League, the Anti-Defamation League and various law-enforcement agencies. Sometimes the league schedules a spectacular telecast game, but most often only a small, dedicated group of spectators pay attention. Too bad people don't know what the stakes might be if the game gets out of hand, as the players hope it will.

"PIK was a sound idea, but as result of its desire not to pay any money in farm subsidies it became the most costly program on record."

Reagan's Farm Subsidy Program

The payment-in-kind program has turned into a bonanza for agribusiness at the expense of the small farmer

by Dave Lindorff

President Reagan is fond of telling anecdotes about welfare programs (not all of them factual), as a way of ridiculing what he calls the "liberal big-spenders," and it's true that his administration has been uniquely ruthless in hacking away at almost every kind of income support program for the poor—from Aid to Families with Dependent Children to the Women and Infants Care program. Those stories about welfare "queens" and people who supposedly do better by quitting work and going on the dole make good newspaper copy in Reagan country—places like central California or the Midwest, where people presumbly cherish the work ethic and resent paying taxes to support those who don't.

But there's a big story not being told about President Reagan's own welfare program for some of those very people—farmers in Iowa and Nebraska or in California's San Joaquin Valley—and it offers a wealth of anecdotes about multi-million-dollar government handouts to some very wealthy corporate farmers who are getting paid handsomely to let their land go to waste.

Take the Prudential Insurance Company, for instance, the nation's largest insurance firm. Among its far-flung corporate assets is a large farm in Bartlett, Nebraska, the Herd Company which last year received $1.5 million from the U.S. Department of Agriculture to leave all its corn acreage unplanted and overgrown with weeds.

Not far away, in Atkinson, Neb., another big agribusiness venture called National Farms received nearly $3.5 million from Reagan's USDA to do the same thing.

In California, the Boswell Company got $3.7 million from the USDA to not plant wheat on the company's San Joaquin Valley farm, though Boswell couldn't have done so anyway since the land was flooded (Boswell is currently applying without a blush to Reagan's Federal Emergency Management Agency for millions of dollars more in "disaster relief" funds to compensate for that same flooding.)

And closer to home, Everett G. "Bud" Rank, Jr., the man named by Reagan to *run* his mammoth farm subsidy program as head of the USDA's Stabilization and Conservation Service, personally netted over $200,000 in government benefits for shutting down Cinco Farms, a cotton ranch in Fresno in which he is a one-fifth partner, for the year. (When information about this freebie came out, Rank ordered his farm to remove itself from the program to end what the U.S. Office of Government Ethics politely referred to as the "appearance of a conflict of interest.")

These anecdotes—all true—may not add up to much money when compared to the nation's one-trillion-dollar budget, but they are part of the Reagan administration's $28 billion 1983 farm support program—perhaps the most ill-conceived and wasteful, and certainly the largest, farm subsidy program in history.

Some of that money, which represents about 15 percent of the 1983 federal deficit, went to finance farm and dairy support programs that have been around for years, but the largest chunk of funds—an amount approaching $12 billion—went into a new Reagan creation: the Payment-in-Kind or PIK program.

PIK from the start was a supply-side

economist's pipe dream. The idea was to take the government's bulging stockpiles of surplus agricultural produce and return it to farmers instead of paying them cash in return for their leaving some of their farm acreage unplanted. The claim made by the administration in Congressional hearings was that by eliminating those stockpiles, PIK would raise grain prices, and after one year's layoff from planting, farmers would finally be able to get fair prices for their crops. It would be farm utopia, with the so-called free market relieving "big government" of the task of regulating farm supply and demand.

It hasn't worked out that way. With taxpayers out $12 billion for the year, the wheat surplus is just as great as it was at this time a year ago, corn farmers are about to plant every available acre and recreate the whopping corn surplus of a year back, and consumers are about to get hit with food price inflation reminiscent of the late 1970s, when bread prices doubled and beef tripled. What happened?

Martin Abel, president of Abel, Baft and Early, a Washington, D.C.-based agricultural economics research and consulting firm, says, "PIK was basically a sound idea, but in its desire not to have to pay any *money* in farm subsidies the administration pushed it too far and it became the most costly program on record." According to Abel, a former Department of Agriculture deputy assistant secretary for international programs, the administration "didn't realize that crop surpluses are not a one-time problem, they're long-term. PIK hasn't solved the problem of excess productive capacity, so the surpluses will be back probably in 1984 and certainly in 1985."

One thing the Reagan Administration did, taking a cue from its 1981 tax program, was to bend over backwards to make PIK especially attractive for the rich. While small independent farmers, who usually have mixed crops and livestock, couldn't get enought out of the program in most cases to make it worthwhile for them to idle heavily mortgaged land and farm machinery, larger, more well-endowed farmers whose lands were all in the right cash crops raced to their local county agricultural commissions with bids to get PIK allocations for keeping their entire farms out of production. By summer, the USDA estimates that 83 million acres, an area half the size of Texas and amounting to more than a third or all the area planted in 1982 across the country, had been removed from cultivation—so much untilled farmland that transcontinental airline passengers, used to seeing a patchwork quilt of green pass under them in the plains states, reported seeing brown instead, while those driving the highways of the Midwest, instead of seeing corn as high as an elephant's eye, were more likely to see waist-high weed patches on some of the world's most productive land.

This administration has hacked away at every kind of support program for the poor

While PIK was hailed by the Reagan administration as a way to "put money back into the hands of the American farmer," the reality has been something different, with some farmers—usually those in the best financial condition already—reaping treble profits, and others—usually those already staring bankruptcy in the face—getting bypassed entirely.

Some large agribusinesses have harvested tremendous windfalls, in some cases after withholding 100 percent of their acreage from production. This is because in defiance of Congress the Reagan administration—claiming that payment in kind, because it involved commodities and not cash, was a form of "payment"—ignored a congressionally-imposed ceiling of $50,000 per farm for government subsidized acreage set-aside programs. White House officials had argued in Congressional hearings on the PIK program that the program would not work successfully unless large corporate farms participated, which they claimed those companies wouldn't do for a measly $50,000 each.

Also, instead of setting a maximum acreage set-aside limit of 30 percent per farm, so every farmer could get some benefit from the program, the USDA said only that a maximum of 30 percent (or in some areas 50 percent, depending upon the crop in question) of the cropland *in each county* could be left fallow. Which farms got the subsidies not to plant was left to a county's own agricultural committee—a group of political appointees—where the possibilities for cronyism are obvious. As a result, even some Agriculture Department officials concede that some large corporate

WALLY McNAMEE/WOODFIN CAMP

The Prudential Company owns a large farm in Bartlett, Nebraska, which last year received $1.5 million to leave its acreage unplanted.

GILLETTE, AFTER IMAGE

SMITH-LIASON

People in Detroit, Michigan, scrounge for food while the Reagan Administration offers multi-million dollar handouts to very wealthy corporate farmers

farms and politically well-connected private farmers, particularly in California's cotton-growing region and the midwest corn belt, were able to get PIK allocations for 100 percent of their land, while other farmers were told they couldn't participate at all, since the county's PIK allocation was all assigned.

According to a recent study by the General Accounting Office, a Congressional watchdog agency, because of these Reagan innovations PIK payments were skewed wildly in favor of the largest farms. For instance, the study found that:

- Of 4000 California cotton farms in the PIK program, 21, or about .5 percent of the total, received 13 percent of the PIK allocations. Those 21 farms each got more than $1 million worth of PIK subsidies.
- In rice farming the story was similar, with 1.6 percent of California's rice growers receiving 17 percent of the available PIK allocations.
- In Texas, three-tenths of one percent of the cotton farms accounted for six percent of the state's cotton payments.

Meanwhile, the farmers who needed PIK most—those smallholders of 250–350 acres, who hoped to use their PIK receipts as security for bank loans for operating expenses—have discovered, when they were able to participate in the program at all, that the same USDA pressures them to sign their PIK money over to the banks already holding their earlier government-guaranteed loans.

Dale Christiansen, a small Iowa corn farmer who managed to get about $3000 worth of PIK allocations, says, "They sent me a receipt made out jointly to me and to the Farmers Home Administration (a government agency which guarantees private bank loans to farmers). I told the bank I needed money to pay my bills, but they tried to make us use it to reduce a loan to them." Christiansen, with the intercession of his local Congressman, got to keep his PIK share. Others don't have such influential allies and never really got to see their money.

Not surprisingly, while PIK has left a lot of wealthy corporate farmers grinning, it has not been very popular among most smaller farmers, even when they made use of it. Their attitudes resemble those of welfare recipients who take help when it's available, but resent having to use it and the way it's administered to them. According to Whitey Iverson, an agricultural sciences teacher in Hawarden, Iowa, farmers are "aware of the image problem when they get paid not to grow, and they don't like it themselves. A farmer loves to produce, and it depresses him to see all the weed patches around here, especially since a lot of the people who used the PIK program weren't really even farmers—they were lawyers and farm implement dealers and so on who own farmland and rent it. They've put whole farms into the program and wound up making more money than the real farmers who planted." Besides, he says, PIK has done nothing to solve the farmers' basic problem of high production costs and low prices. "What we need is a program designed to encourage soil conservation and long-term production goals. PIK did none of this. It hurt conservation, because when people didn't plant, the topsoil just eroded away. The government did nothing to monitor how farmers cared for their vacant land. And now we're facing a calamity out here, because with no subsidy program for 1984, people will be planting corn from fencerow to fencerow. They've bought so much seed corn you can't find any any more in the stores. By 1985, we'll be right back where we were, with the same problem of giant surpluses."

No one in the USDA or the Reagan Administration should be too surprised if a year from now there's a corn surplus as large as the one we just paid billions of dollars to get rid of in 1983. The wheat surplus returned the same year!

Wheat farmers reduced their total acreage by over 30 percent nationwide in 1983 in return for 550 million bushels of government surplus wheat from the PIK program, but with irrigation allotments to spare and with extra fertilizer available they were able to increase their yields on the reduced acreage planted and to grow nearly as much wheat as last year, ending

GILLETTE/AFTER IMAGE

The Boswell Company received $3.7 million not to plant wheat though they couldn't have done so anyway since the land was flooded

the 1983 season with a *new* surplus of some 550 million bushels. "In wheat, PIK has turned into a grain recycling program," says Abel with a laugh. "The government's been shovelling grain out the front door of the grain elevators and taking it in through the back." He suggests that the same situation might have been developed in the case of corn, except that just as the nation's cornfields were ready to ripen, a serious drought hit mid-America, ruining most of the crop. Now corn supplies are so low that a second year of drought would be a disaster for consumers, since the cost of feed grain for cattle and hogs would soar. Already when the Texas Agricultural Commission asked the USDA for surplus corn to help drought-stricken cattle ranchers, they were told that there wasn't enough grain to go around.

The PIK program produced other ironies too. When nearly every rice and cotton farmer in California elected to enter a PIK program, the government discovered it didn't have enough surplus stocks on hand to compensate them all. The USDA then had to initiate a hasty "Plant for PIK" program to get some farmers to grow *more* rice or cotton for PIK distribution. "If we didn't have enough of a commodity we had to get it," explains department spokesperson Ray Wagoner. "In the case of cotton, for instance, we'd have farmers grow 40 percent of their (own) PIK payment. We'd buy it and then give it back to them."

If President Reagan were looking for an anecdote to illustrate the foolishness of big government programs, he clearly could find an embarrassingly good example in his own Department of Agriculture. In fact, the PIK program does provide a case study of why Reagan administration economic programs don't live up to the media hype that precedes them. Just as the president's tax cut programs worked not to cut taxes but to shift the tax burden from the poor to the rich, the PIK program, for no good reason, was turned into a bonanza for agribusiness, at the expense of the small farmer.

The funny part is that in the end PIK may fail the president too. Since it was only a one-year program (except for wheat, of course), and in any case did little to help embattled small farmers, PIK has left Reagan with nothing to offer farmers this election year, while the legacy of PIK's decimation of the nation's grain reserves may begin to show up in consumers' grocery bills before election eve. ■

Dave Lindorff is a freelance writer living in Connecticut who has contributed to a variety of magazines.

MALICK-AFTER IMAGE

Food shortages might be offset by less demand as victims die of injury and disease

Post-Nuclear Farms

80 percent of the rural population will survive attack

By Howard L. Rosenberg

Federal emergency planners do not subscribe to an apocalyptic vision of a post-nuclear America. In fact, a detailed briefing prepared by officials of the Agriculture Department and the Federal Emergency Management Agency (FEMA) in early 1982 for a White House Cabinet Council meeting suggests that even atomic mushroom clouds may have a silver lining. American agriculture, the council was told, would generally fare better in a massive nuclear exchange than industrial sectors of society and "even though livestock and poultry receive minimal shelter from nuclear weapons effects, they are likely to survive blast and fallout better than our population."

The Pollyanna-ish prediction was culled from "the accumulated experience" of U.S. planners gained from many studies over the years. Based on a scenario postulating a massive attack with some 6,000 megatons of nuclear weapons on both "key military and non-military resources," the cabinet briefers concluded that though there would be critical problems in food processing and distribution, "the surviving population, under existing Civil Defense capabilities, could be maintained on a somewhat reduced diet."

A chart used in the briefing indicates that 60 days after the nuclear exchange, 68 percent of the nation's sheep and lambs would still be alive along with 57 percent of the beef cattle, 55 percent of the dairy cattle, 64 percent of the swine and 62 percent of the turkeys. By contrast, the emergency planners calculated only 46 percent of the U.S. population would still be alive. Yet, the experts indicated the future wouldn't be entirely bleak since food shortages might be offset by less demand as victims died of injury and disease. "Those who are doomed to die," the emergency planners explained, would only "be consumers for part of that time."

The fate of agricultural crops would depend heavily on what time of year the nuclear war took place, the Cabinet Council was told. Because of planting and harvesting schedules and the fact that crops are most sensitive to radiation effects during the early growth and reproductive stages, an attack on the U.S. would be most devastating in early June or early August. Even at their most vulnerable stage though, much of the crops would be expected to survive. An attack on June 1st would leave 39 percent of the nation's corn still standing, 48 percent of its wheat available for harvest and the country's soybean crop would be virtually unscathed. An August strike, however, would kill all but 35 percent of the farm belt's soybean crop yet would spare 83 percent of our cornstalks and 82 percent

BLACK STAR

Even nuclear mushroom clouds may have a silver lining

of our wheat.

Rural dwellers, too, the FEMA experts said, would "fare relatively well," especially when compared to their brethren in the cities. "Nearly 80 percent of the rural population could still be alive" 60 days after the nuclear exchange, compared to an estimated survival rate of merely 30 percent in the cities. And that bodes well for the availability of farm labor, which could be augmented by what the emergency planners called "guest workers"—evacuees sent to rural areas as part of the government's Crisis Relocation Program. That plan calls for the residents of 380 "high risk" areas, including virtually every city with a population of 50,000 or more, to evacuate to country "host areas" supposedly stocked and ready for their arrival and accommodation. One glitch, the briefers admitted, might be the fact that "the current shortage of radiation detection instruments makes proper monitoring doubtful."

Other concerns outlined by the briefers indicated that while many problems would be posed by a massive nuclear exchange, the situation down on the farm might still be manageable:

• "As much as 70 to 80 percent of fertilizer production capacity could survive a massive nuclear attack," and though there would probably be tolerable "short-term interruptions in production . . . fertilizer is not expected to be a problem." The planners emphasized that continued fertilization of the crops was vital since its absence could reduce crop yields by 40 to 50 percent.

• "Although farm energy inputs—especially petroleum products and electricity—are absolutely vital to agriculture production, the amounts are relatively small when compared to total energy consumed in the U.S. . . . The potential survival rates for refineries (30 to 40 percent) and generating stations (over 60 percent) suggest that minimum farm needs could eventually be met." The briefers went on to explain that even under the worst circumstances, "vegetable oils, particularly soybean and peanut, have the capability of powering diesel engines at about 1.6 times the cost of diesel fuel under present production methods."

• "Potentially surviving pesticide production represents 50 to 60 percent of pre-attack capacity." Because American farmers currently only use about 60 percent of the pesticides produced in the U.S., the surviving chemicals would most likely be more than adequate, the FEMA planners said, especially since "post-attack farm requirements would probably be somewhat reduced from pre-attack."

• Like other industrial sectors of the United States, "farm machinery manufacturers are expected to be hard hit in the event of a nuclear attack with capacity losses of about 55 percent." Farmers would find it difficult to find spare parts or new equipment and would have to make do with what they had.

• Because food processing facilities tend to be located in vulnerable "high risk" areas and urban centers, the experts predicted that more than half would be destroyed in an attack. Especially hard-hit would be seafood plants, bakeries, ice cream manufacturers, candy-makers, soft drink bottlers and pet food canners. Fewer than 35 percent of their facilities are expected to survive.

• "Nuclear war would probably disrupt the production of metal, glass and plastic containers," the emergency planners prophesized, since those facilities also tend to be located in highly concentrated industrial locations.

• Federal transportation officials "are reasonably sure" that the requisite trucks, trains and planes would be available to move food supplies "provided that radiation is at a level where transportation personnel could safely operate equipment, and that fuel was available."

All-in-all, the Cabinet Council was reassured that despite serious problems posed by the heat, blast and radiation effects of an all-out nuclear exchange, the strength of U.S. agriculture and the traditional self-sufficiency of American farmers could greatly help mitigate the situation. The emergency planners were confident that adequate stocks of energy would survive, there would be plenty of workers to plant and harvest crops and livestock would be abundant.

Ironically, perhaps the most perplexing problems in the post-attack scenario painted by federal officials were posed by a successful crisis relocation. If, as planned, 80 percent of the U.S. population was

MANHEIM AFTER IMAGE

The fate of crops would depend on the time of year that the nuclear war took place

outbreak of hostilities, the influx of city dwellers would greatly strain available resources. For instance, part of the briefers' optimism was based on surveys indicating that many Americans keep a good supply of foodstuffs in stock at home. "One obvious problem," the briefers explained, "is that household stocks might be far removed and, therefore, inaccessible to relocated survivors."

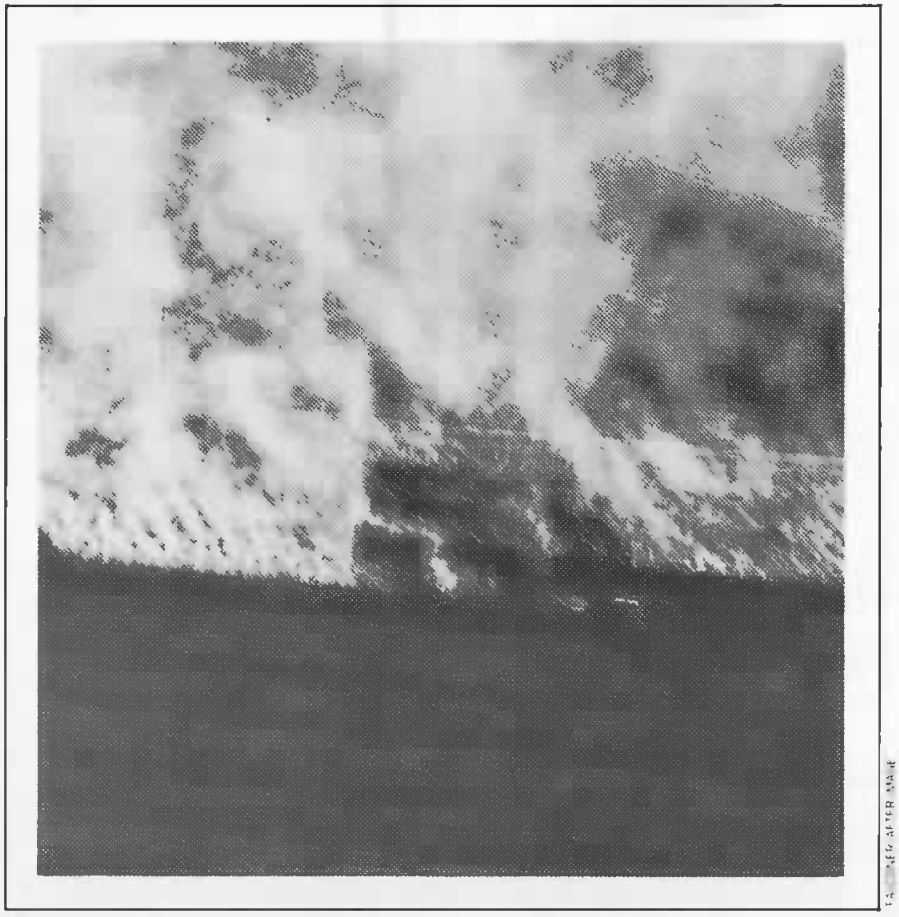
The implications of continuing and expanding evacuation plans—though softpedaled in the context of the briefing—were explicitly stated: "The relatively favorable balance between population and livestock and poultry survival rates expected under current Civil Defense capabilities could disappear under an effective crisis relocation effort." In other words, the future of American agriculture might only be bright after a nuclear war if the population remained in the cities and was decimated. In that case, the entire tone of the Cabinet Council briefing was, at best, misleading.

Other, more credible reports from both inside and out of government depict a post-attack America in terms that are much more grim. For example, in a recent study conducted by U.S. scientists, astronomer Carl Sagan predicted that a "nuclear winter" of drastically colder temperatures would descend on the nation in the first

FITGERALD AFTER IMAGE

The future of agriculture might be bright if the population of the cities was decimated

The "nuclear winter" that would descend on the nation would effectively prevent harvests



Approximately seven out of every ten Americans would likely be fatalities

would descend on the nation in the first days following a nuclear war and would last for several months thereafter. That would effectively prevent harvests or the planting of new crops. The Cabinet Council briefing also did not address the dilemma posed by soil that would undoubtedly be heavily contaminated by radioactive fallout.

Similar, previous studies of post-attack U.S. society also were much more pessimistic about basic survival rates. While the Cabinet Council briefing predicted 46 percent of the population would still be alive 60 days after a nuclear exchange, a secret study by the Arms Control and Disarmament Agency in 1980 noted that even if a successful evacuation of major "high risk" areas could be mounted, only an estimated "35 to 65 percent of the U.S. population might survive the *immediate* [emphasis added] effects of a large-scale nuclear attack." Another study, by the congressional Office of Technology Assessment, put the upper limit at 160 million immediate fatalities, or about seven out of every 10 Americans.

Despite what the Cabinet Council was told, it will probably be more pestilent than pastoral on the post-nuclear farm. ■

Howard L. Rosenberg is a Washington-based investigative reporter and the author of* Atomic Soldiers *(Beacon, 1980).

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